UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

Commission file number 001-39487

Silence Therapeutics plc

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Not Applicable
(Translation of Registrant's Name into English)

United Kingdom
(Jurisdiction of incorporation or organization)

72 Hammersmith Road
London W14 8TH
United Kingdom
(Address of principal executive offices)

Craig Tooman
Chief Executive Officer
Silence Therapeutics plc
72 Hammersmith Road
London W14 8TH
United Kingdom
Tel: +44 20 3457 6900
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
American Depositary Shares, each representing 3 ordinary shares, nominal value £0.05 per share	**SLN**	**The Nasdaq Stock Market LLC**

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

Ordinary shares, nominal value £0.05 per share: 118,846,966 as of December 31, 2023

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. ☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

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GENERAL INFORMATION

Unless otherwise indicated or the context otherwise requires, all references in this report to the terms "Silence," "Silence Therapeutics," "Silence Therapeutics plc," "the company," "we," "us" and "our" refer to Silence Therapeutics plc together with its subsidiaries. In this Annual Report, the U.S. Securities and Exchange Commission is referred to as the "SEC", the Securities Act of 1933, as amended, is referred to as the "Securities Act" and the Securities Exchange Act of 1934, as amended, is referred to as the "Exchange Act."

PRESENTATION OF FINANCIAL AND OTHER DATA

We maintain our books and records in pounds sterling and report under International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. None of the financial statements included in this report were prepared in accordance with generally accepted accounting principles in the United States. All references in this report to "$" are to U.S. dollars and all references to "£" are to pounds sterling. Except with respect to U.S. dollar amounts presented as contractual terms or otherwise indicated, all amounts presented in this report in U.S. dollars have been translated from pounds sterling solely for convenience at an assumed exchange rate of $1.27 per £1.00, based on the noon buying rate of the Federal Reserve Bank of New York on December 31, 2023. We make no representation that any pounds sterling or U.S. dollar amounts referred to in this Annual Report could have been, or could be, converted into U.S. dollars or pounds sterling, as the case may be, at any particular rate, or at all. These translations should not be considered representations that any such amounts have been, could have been or could be converted from pounds sterling into U.S. dollars at that or any other exchange rate as of that or any other date.

We have made rounding adjustments to some of the figures included in this Annual Report. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them. Additionally, numerical figures under £100,000 have been rounded to the nearest thousand in this Annual Report.

All references to "shares" or "ordinary shares" in this Annual Report refer to ordinary shares of Silence Therapeutics plc with a nominal value of £0.05 per share. All references to ADSs refer to American Depositary Shares, each representing three ordinary shares of Silence Therapeutics plc, which are denominated in U.S. dollars and listed on Nasdaq.

TRADEMARKS, TRADENAMES AND SERVICE MARKS

This Annual Report includes trademarks, tradenames and service marks, certain of which belong to us and others that are the property of other organizations. Solely for convenience, trademarks, tradenames and service marks referred to in this report appear without the ®, ™ and SM symbols, but the absence of those symbols is not intended to indicate, in any way, that we will not assert our rights or that the applicable owner will not assert its rights to these trademarks, tradenames and service marks to the fullest extent under applicable law. We do not intend our use or display of other parties' trademarks, trade names or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endrorsement or sponsorship of us by, these other parties.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements by the words "may," "might," "will," "could," "would," "should," "expect," "intend," "plan," "objective," "anticipate," "believe," "estimate," "predict," "potential," "continue" and "ongoing," or the negative of these terms, or other comparable terminology intended to identify statements about the future. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. The forward-looking statements and opinions contained in this Annual Report are based upon information available to us as of the date of this Annual Report and, while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. Forward-looking statements include statements about:

- the development of our product candidates, including statements regarding the timing of initiation, completion and the outcome of preclinical studies or clinical trials and related preparatory work, the period during which the results of the trials will become available and our research and development programs;
- our ability to obtain and maintain regulatory approval of our product candidates in the indications for which we plan to develop them, and any related restrictions, limitations or warnings in the label of an approved drug or therapy;
- our plans to collaborate, or statements regarding the ongoing collaborations, with third parties;
- our plans to research, develop, manufacture and commercialize our product candidates;
- the timing of our regulatory filings for our product candidates;
- the size and growth potential of the markets for our product candidates;
- our ability to raise additional capital;
- our commercialization, marketing and manufacturing capabilities and strategy;
- our expectations regarding our ability to obtain and maintain intellectual property protection;
- our ability to attract and retain qualified employees and key personnel;
- our ability to contract with third-party suppliers and manufacturers and their ability to perform adequately;
- our estimates regarding future revenue, expenses and needs for additional financing;
- our belief that our existing cash, cash equivalents and future anticipated milestone payments from our existing collaborations will be sufficient to fund our operating expenses and capital expenditure requirements into 2026; and
- regulatory developments in the United States, United Kingdom, European Union, or EU, and other jurisdictions.

You should refer to the section of this Annual Report titled "Risk Factors" for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this Annual Report will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these

statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

You should read this Annual Report and the documents that we reference in this Annual Report and have filed as exhibits to the Annual Report completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

PART I

ITEM 1: IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS

Not applicable.

ITEM 2: OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3: KEY INFORMATION

A. [Reserved.]

B. Capitalization and Indebtedness.

Not applicable.

C. Reasons for the Offer and Use of Proceeds.

Not applicable.

D. Risk Factors.

Investing in American Depositary Shares representing our ordinary shares, or ADSs, involves a high degree of risk. You should carefully consider the following risk factors and all other information contained in this Annual Report, including our consolidated financial statements and the related notes, before investing in the ADSs. The risks and uncertainties described below are those significant risk factors, currently known and specific to us, that we believe are relevant to an investment in the ADSs. If any of these risks materialize, our business, results of operations or financial condition could suffer, the price of the ADSs could decline and you could lose part or all of your investment. Additional risks and uncertainties not currently known to us or that we now deem immaterial may also harm us and adversely affect your investment in the ADSs.

Risks Factor Summary

Our business is subject to a number of risks of which you should be aware before making an investment decision. You should carefully consider all of the information set forth in this report and, in particular, should evaluate the specific factors set forth below in this section titled "Risk Factors" before deciding whether to invest in our ADSs. Among these important risks are, but not limited to, the following:

Risks Related to Our Financial Condition and Need for Additional Capital

- We have a history of net losses and we anticipate that we will continue to incur losses for the foreseeable future.
- We have never generated any revenue from product sales and may never be profitable.
- We will require additional financial resources to continue the ongoing development of our product candidates and pursue our business objectives. If we are unable to obtain these additional resources when needed or on acceptable terms, we may be forced to delay or discontinue our planned operations, including clinical testing of our product candidates.
- Raising additional capital may cause dilution to our holders, including holders of our ADSs, restrict our operations or require us to relinquish rights to our technologies or product candidates.

Risks Related to the Discovery, Development, Regulatory Approval and Potential Commercialization of Our Product Candidates

- The approach we are taking to discover and develop drugs is novel and may never lead to marketable products.
- We rely on third parties to conduct some aspects of our manufacturing, research and development activities, and those third parties may not perform satisfactorily, including failing to meet deadlines for the completion of research or clinical testing, or may terminate our agreements.
- Even if we complete the necessary preclinical studies and clinical trials, we cannot predict whether or when we will obtain regulatory approval to commercialize a product candidate and we cannot, therefore, predict the timing of any revenue from a future product.
- Even if we obtain regulatory approval for a product candidate, we will still face extensive regulatory requirements and our products may face future development and regulatory difficulties.

Risks Related to Our Business Operations and Compliance with Government Regulations

- We face competition from other companies that are working to develop novel drugs and technology platforms using technologies similar to ours. If these companies develop drugs more rapidly than we do or their technologies, including delivery technologies, are more effective, our ability to successfully commercialize drugs may be adversely affected.
- If we fail to introduce new products or keep pace with advances in technology, our business, financial condition and results of operations could be adversely affected.
- We face potential product liability and other claims, and, if successful claims are brought against us, we may incur substantial liability and costs.
- Cybersecurity risks and the failure to maintain the confidentiality, integrity, and availability of our computer hardware, software, data and internet applications and related tools and functions could result in damage to our reputation and/or subject us to costs, fines or lawsuits.
- We are subject to stringent and evolving data privacy and security laws, regulations contractual obligations, industry standards, policies, and other obligations, and our actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions; litigation (including class actions); fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; and other adverse business consequences.

Risks Related to our Intellectual Property

- If we are unable to obtain or protect intellectual property rights related to our current or future products and product candidates, we may not be able to compete effectively in our markets.
- We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time-consuming and unsuccessful.

Risks Related to Our ADSs

- The trading price of our ADSs may be volatile, and you could lose all or part of your investment.
- Future sales, or the possibility of future sales, of a substantial number of our ADSs could adversely affect the price of such securities.
- We incur increased costs as a result of having our ADSs listed in the United States, and our senior management will be required to devote substantial time to new compliance initiatives and corporate governance practices.
- We may identify material weaknesses in our internal control over financial reporting. If we experience material weaknesses or significant deficiencies in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect our business.

- We expect to lose our foreign private issuer status in 2025, which will require us to comply with the Exchange Act's domestic reporting regime and cause us to incur significant legal, accounting and other expenses.
- Holders of our ADSs have fewer rights than our shareholders and must act through the depositary to exercise their rights.
- If a United States person is treated as owning at least 10% of our ordinary shares, such United States person may be subject to adverse U.S. federal income tax consequences.
- Claims of U.S. civil liabilities may not be enforceable against us.
- Our articles of association provide that the U.S. federal district courts are the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

Implications of Being an Emerging Growth Company and a Foreign Private Issuer

Emerging Growth Company

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As such, we may take advantage of certain exemptions from various reporting requirements that are applicable to other publicly traded entities that are not emerging growth companies. These exemptions include:

- not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002;
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board, or PCAOB, regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (*i.e.*, an auditor discussion and analysis);
- not being required to submit certain executive compensation matters to shareholder advisory votes, such as "say-on-pay," "say-on-frequency," and "say-on-golden parachutes"; and
- not being required to disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the chief executive officer's compensation to median employee compensation.

We will remain an emerging growth company until the earliest of: (1) the last day of the first fiscal year in which our annual gross revenues exceed $1.235 billion; (2) the last day of 2025; (3) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur on the last day of any fiscal year that the aggregate worldwide market value of our common equity held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter; or (4) the date on which we have issued more than $1.0 billion in non-convertible debt securities during any three-year period.

Foreign Private Issuer

We report under the Exchange Act as a non-U.S. company with foreign private issuer status. Even after we no longer qualify as an emerging growth company, as long as we qualify as a foreign private issuer under the Exchange Act, we will be exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including:

- the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and

- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specific information, and current reports on Form 8-K upon the occurrence of specified significant events.

Foreign private issuers are also exempt from certain more stringent executive compensation disclosure rules. Thus, even if we no longer qualify as an emerging growth company, but remain a foreign private issuer, we will continue to be exempt from the more stringent compensation disclosures required of companies that are neither an emerging growth company nor a foreign private issuer.

Risks Related to Our Financial Condition and Need for Additional Capital

We have a history of net losses and we anticipate that we will continue to incur significant losses for the foreseeable future.

We are a clinical-stage biopharmaceutical company. As of the date hereof, our operations have been primarily limited to developing our siRNA product platform, undertaking basic research around siRNA targets, conducting preclinical and clinical studies and out-licensing some of our intellectual property rights. We have not yet obtained marketing approval for any product candidates and may not for the foreseeable future, if ever. Consequently, any predictions about our future success or viability, or any evaluation of our business and prospects, may not be accurate.

We have incurred net losses in each year since our inception. Our net losses were £43.3 million for the year ended December 31, 2023, £40.5 million for the year ended December 31, 2022, and £39.4 million for the year ended December 31, 2021. As of December 31, 2023, we had an accumulated loss of £304.6 million. Our losses have resulted primarily from costs related to our research and development programs, including our preclinical and clinical development activities.

We expect to continue incurring significant operating losses for the foreseeable future, although these losses may fluctuate significantly between periods. We anticipate that our expenses will increase substantially as we continue the research, preclinical and clinical development of our product candidates, both independently and under our collaboration agreements with third parties. We would also incur additional expenses in connection with seeking marketing approvals for any product candidates that successfully complete clinical trials, if any, and establishing a sales, marketing and distribution infrastructure to commercialize any products for which we may obtain marketing approval. We will also need to maintain, expand and protect our intellectual property portfolio, hire additional personnel, and create additional infrastructure to support our operations and our product development efforts. We expect that all of these additional expenses will cause our total expenses to substantially exceed our revenue over the near term, resulting in continuing operating losses and increasing accumulated deficits.

We have never generated any revenue from product sales and may never be profitable.

Our ability to generate revenue and achieve profitability depends on our ability, alone or with collaboration partners, to successfully complete the development of, obtain the necessary regulatory approvals for and commercialize our product candidates. We do not anticipate generating revenues from sales of products for the foreseeable future, if ever. Our ability to generate future revenues from product sales will depend heavily on our success in:

- identifying and validating therapeutic targets;
- completing our research and preclinical development of product candidates;
- initiating and completing clinical trials for product candidates;
- seeking, obtaining and maintaining marketing approvals for product candidates that successfully complete clinical trials;

- establishing and maintaining supply and manufacturing relationships with third parties, or establishing our own manufacturing capability;
- launching and commercializing product candidates for which we obtain marketing approval, either with a collaborator or, if launched independently, successfully establishing a sales force, marketing and distribution infrastructure;
- maintaining, expanding and protecting our intellectual property portfolio; and
- attracting, hiring and retaining qualified personnel.

Because of the numerous risks and uncertainties associated with pharmaceutical product development, we are unable to predict the timing or amount of increased expenses and when we will be able to achieve or maintain profitability, if ever. In addition, our expenses could increase if we were required by the U.S. Food and Drug Administration, or FDA, the European Medicines Agency, or EMA, the U.K. Medicines and Healthcare products Regulatory Agency, or MHRA, or other regulatory authorities to perform studies and trials in addition to those that we currently anticipate.

Even if one or more of our product candidates is approved for commercial sale, we anticipate incurring significant costs associated with commercializing any approved product on our own. Even if we were able to generate revenues from the sale of any approved products, we may not become profitable and may need to obtain additional funding to continue operations.

We will require additional financial resources to continue the ongoing development of our product candidates and pursue our business objectives. If we are unable to obtain these additional resources when needed or on acceptable terms, we may be forced to delay or discontinue our planned operations, including clinical testing of our product candidates.

We have used substantial funds to develop our RNA interference, or RNAi, technologies and will require substantial funds to conduct further research and development, including preclinical testing and clinical trials of our product candidates, and to manufacture, market and sell any of our products that may be approved for commercial sale. Because the length of time, and the activities associated with, the successful development of our product candidates may be greater than we anticipate, we are unable to estimate the actual funds we will require to develop and commercialize them.

Developing pharmaceutical products, including conducting preclinical studies and clinical trials, is expensive. We expect our research and development expenses and net losses to substantially increase in connection with our ongoing activities, particularly as we advance our product candidates towards or through clinical trials. We will need additional capital to fund our operations, including clinical trials for product candidates other than those which are funded by our collaboration partners, and such funding may not be available to us on acceptable terms, or at all. In any event, we will require additional capital to obtain regulatory approval for, and to commercialize, future product candidates.

For the foreseeable future, we expect to rely primarily on additional non-dilutive strategic collaboration arrangements, as well as equity or debt financings, to fund our operations. Raising additional capital through the sale of securities could cause significant dilution to our shareholders. Any additional fundraising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize our product candidates. Our ability to raise additional funds will depend, in part, on the success of our preclinical studies and clinical trials and other product development activities, regulatory events, our ability to identify and enter into licensing or other strategic arrangements, and other events or conditions that may affect our value or prospects, as well as factors related to financial, economic and market conditions, many of which are beyond our control. There

can be no assurances that sufficient funds will be available to us when required or on acceptable terms, if at all. If we are unable to raise additional capital when required or on acceptable terms, we may be required to:

- significantly delay, scale back or discontinue the development or commercialization of any current or future product candidates;
- seek strategic alliances for research and development programs at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available;
- dispose of technology assets, or relinquish or license on unfavorable terms, our rights to technologies or any future product candidates that we otherwise would seek to develop or commercialize; and
- file for bankruptcy or cease operations altogether.

Any of these events would have a material adverse effect on our business, operating results and prospects and could significantly impair the value of your investment in our ADSs.

We have funded our operations to date through upfront payments and milestones from collaboration agreements, equity offerings and proceeds from private placements, as well as management of expenses and other financing options. During 2023, we received a $10.0 million (approximately £7.9 million) milestone payment from the AstraZeneca collaboration and $4 million (approximately £3.2 million) in milestone payments from the Hansoh collaboration. We also raised proceeds of approximately $32.2 million (approximately £25.5 million), before deducting £1.0 million in placement agent fees and other expenses, from sales of ADSs under our Open Market Sale Agreement, or the Sales Agreement, with Jefferies LLC, as sales agent. As of December 31, 2023, we had cash and cash equivalents of £54.0 million ($68.8 million).

In January 2024, we raised an additional $20 million of net proceeds before deducting $0.6 million in placement agent fees and other expenses from sales of ADSs under our Sales Agreement.

On February 5, 2024, we announced a private placement of 5,714,286 ADSs at a price of US $21.00 per ADS with new and existing institutional and accredited investors, for aggregate gross proceeds of $120.0 million (approximately £94.5 million) before deducting approximately £5.7 million in placement agent fees and other expenses.

There is no assurance that we will be successful in obtaining sufficient funding on terms acceptable to us, or if at all. We may receive future milestone payments of up to $12 million from existing collaboration agreements in the next 12 months, which we believe will extend our ability to fund our operations into 2026. However, these future milestone payments are dependent on achievement of certain development or regulatory objectives that may not occur. The inability to obtain future funding could impact our financial condition and ability to pursue our business strategies, including being required to delay, reduce or eliminate some of our research and development programs, or being unable to continue operations or unable to continue as a going concern.

Raising additional capital may cause dilution to our holders, including holders of our ADSs, restrict our operations or require us to relinquish rights to our technologies or product candidates.

We expect that additional capital will be needed in the future to continue our planned operations, including expanded research and development activities and potential commercialization efforts. Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through any or a combination of strategic collaboration arrangements, equity or debt financings, and research grants and tax credits.

If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may be required to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or to grant licenses on terms that may not be favorable to us. In

addition, we could also be required to seek funds through arrangements with collaborators or others at an earlier stage than otherwise would be desirable.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, including in any at-the-market offering through the Sales Agreement, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a shareholder. Debt financing and preferred equity financing, if available, could result in fixed payment obligations, and we may be required to accept terms that restrict our ability to incur additional indebtedness, force us to maintain specified liquidity or other ratios or restrict our ability to pay dividends or make acquisitions.

If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to a third party to develop and market product candidates that we would otherwise prefer to develop and market ourselves. If we raise funds through research grants or take advantage of research and development tax credits, we may be subject to certain requirements, which may limit our ability to use the funds or require us to share information from our research and development. Raising additional capital through any of these or other means could adversely affect our business and the holdings or rights of our shareholders, and may cause the market price of our ADSs to decline.

Risks Related to the Discovery, Development, Regulatory Approval and Potential Commercialization of Our Product Candidates

The approach we are taking to discover and develop drugs is novel and may never lead to marketable products.

We have concentrated our therapeutic product research and development efforts on siRNA technology, and our future success depends on the successful development of this technology and products based on our siRNA product platform.

The scientific discoveries that form the basis for our efforts to discover and develop product candidates based on siRNA technology are relatively new. The scientific evidence to support the feasibility of developing product candidates based on these discoveries is both preliminary and limited. If we do not successfully develop and commercialize product candidates based upon our technological approach, we may not become profitable and the value of our ordinary shares may decline.

Further, our focus solely on siRNA technology for developing drugs as opposed to multiple, more proven technologies for drug development increases the risks associated with the ownership of our ordinary shares. If we are not successful in developing any product candidates using siRNA technology, we may be required to change the scope and direction of our product development activities. In that case, we may not be able to identify and successfully implement an alternative product development strategy.

We may not be successful in our efforts to identify or discover potential product candidates.

The success of our business depends primarily upon our ability to identify, develop and commercialize siRNA therapeutics. Our clinical and pre-clinical research programs may show initial promise in identifying potential product candidates, yet fail to yield product candidates for clinical development for a number of reasons, including:

- our research methodology or that of any strategic collaborator may be unsuccessful in identifying potential product candidates that are successful in clinical development;
- potential product candidates may be shown to have harmful side effects or may have other characteristics that may make the products unmarketable or unlikely to receive marketing approval;
- our current or future strategic collaborators may change their development profiles for potential product candidates or abandon a therapeutic area; or

- new competitive developments in the evolving field of RNAi, or in other nucleic acid-based approaches, including gene therapy or gene editing, may render our product candidates obsolete or noncompetitive.

If any of these events occur, we may be forced to abandon our development efforts for a program or programs, which would have a material adverse effect on our business and could potentially cause us to cease operations. Research programs to identify new product candidates require substantial technical, financial and human resources. We may focus our efforts and resources on potential programs or product candidates that ultimately prove to be unsuccessful.

We may not be successful in our efforts to increase our pipeline, including by pursuing additional indications for our current product candidates, identifying additional indications for our proprietary platform technology or in-licensing or acquiring additional product candidates for other indications.

We may not be able to develop or identify product candidates that are safe, tolerable and effective. Even if we are successful in continuing to build our pipeline, the potential product candidates that we identify, in-license or acquire may not be suitable for clinical development, including as a result of being shown to have harmful side effects or other characteristics that indicate that they are unlikely to be products that will receive marketing approval and achieve market acceptance.

Preclinical studies and clinical trials of our product candidates may not be successful. If we are unable to generate successful results from these studies and trials, or experience significant delays in doing so, our business may be materially harmed.

We have invested a significant portion of our efforts and financial resources in the identification and development of siRNA-based product candidates. Our ability to generate product revenues, which we do not expect will occur for many years, if ever, will depend heavily on the successful development and eventual commercialization of our product candidates.

The success of our product candidates will depend on several factors, including, *inter alia*, the following:

1. successfully designing preclinical studies which may be predictive of clinical outcomes;

2. successfully conducting and completing clinical trials, including timely patient enrollment and acceptable safety and efficacy data;

3. obtaining and maintaining marketing approvals from applicable regulatory authorities on a timely basis, if ever;

4. obtaining and maintaining patent or trade secret protection for future product candidates;

5. establishing and maintaining supply and manufacturing relationships with third parties or establishing our own manufacturing capability; and

6. successfully commercializing our products, if and when approved, whether alone or in collaboration with others.

If we do not achieve one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully complete the development of, or commercialize, our product candidates, which would materially harm our business.

From time to time, we may publicly disclose preliminary or “topline” data from our clinical trials, which is based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or clinical trial. As a result, the “topline” or preliminary results that we report may differ from future results of the same studies, or different

conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. "Topline" data should be viewed with caution until the final data are available.

We may also disclose interim data from our clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available or as patients from our clinical trials continue other treatments for their disease. Adverse differences between preliminary or interim data and final data could significantly harm our business prospects. Further, disclosure of interim data by us or by our competitors could result in volatility in the price of our Ordinary Shares.

If the interim, "topline," or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our product candidates may be harmed, which could significantly harm our business, financial condition, results of operations and prospects.

If clinical trials of our product candidates fail to commence or, once commenced fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities, or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our product candidates.

In clinical development, the risk of failure for product candidates is high. It is impossible to predict when or if any of our product candidates will prove effective or safe in humans or will receive regulatory approval. We are the sponsor of Investigational Medicinal Product Dossiers in multiple jurisdictions and must achieve and maintain compliance with the requirements of various regulatory authorities. Before obtaining marketing approval from regulatory authorities for the sale of product candidates, we or a strategic collaborator must conduct extensive clinical trials to demonstrate the safety and efficacy of the product candidates in humans. As of the date hereof, we have two proprietary product candidates in clinical development, and our other product candidates are preclinical. Clinical trials are expensive, difficult to design and implement, can take many years to complete and are uncertain as to outcome. A failure of one or more clinical trials can occur at any stage of testing. The outcome of early clinical trials may not be predictive of the success of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. Moreover, clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in clinical trials have nonetheless failed to obtain marketing approval for their products.

Events which may result in a delay or unsuccessful completion of clinical development include, among other things:

- delays in reaching an agreement with the FDA, EMA, MHRA or other regulatory authorities on final trial design;
- imposition of a clinical hold on our clinical trial operations or trial sites by the FDA or other regulatory authorities;
- disruptions at the FDA and other regulatory agencies caused by funding shortages or future global health crises;
- delays in reaching agreement on acceptable terms with prospective contract research organizations, or CROs, and clinical trial sites;
- inability to adhere to clinical trial requirements directly or with third parties such as CROs;
- delays in obtaining required Institutional Review Board, or IRB, approval at each clinical trial site;

- delays in recruiting suitable patients and clinical investigators to participate in a trial;
- delays in the testing, validation, manufacturing and delivery of the product candidates and patient samples to and from the clinical sites;
- delays in having patients complete participation in a trial or return for post-treatment follow-up or ensuring patient compliance with trial protocols;
- delays caused by patients dropping out of a trial due to protocol procedures or requirements, product side effects or disease progression;
- clinical sites dropping out of a trial to the detriment of enrollment;
- time required to add new clinical sites;
- negative outcomes, including deficiencies in good clinical practices, or GCP, in routine inspections by regulatory authorities in the countries where our clinical trials are being conducted;
- investigator fraud, including data fabrication by clinical trial personnel;
- delays by our contract manufacturers to produce and deliver sufficient supply of clinical trial materials; or
- delays in delivering sufficient supply of clinical trial materials to clinical sites and challenges in patient recruitment, as well as challenges regarding global clinical trial supply shipments, importation and customs clearances.

If we or our current or future strategic collaborators are required to conduct additional clinical trials or other testing of any product candidates beyond those that are currently contemplated, are unable to successfully complete clinical trials of any such product candidates or other testing, or if the results of these trials or tests are not positive or are only moderately positive, or if there are safety concerns, we and they may:

- be delayed in obtaining marketing approval for our future product candidates;
- not obtain marketing approval at all;
- obtain approval for indications or patient populations that are not as broad as originally intended or desired;
- obtain approval with labeling that includes significant use or distribution restrictions or safety warnings;
- be subject to additional post-marketing testing requirements; or
- have the product removed from the market after obtaining marketing approval.

Many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates. In addition, our product development costs will also increase if we experience delays in testing or marketing approvals. We do not know whether any clinical trials will begin as planned, will need to be restructured or will be completed on schedule, or at all. Significant clinical trial delays also could shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before we do, which would impair our ability to successfully commercialize our product candidates and may harm our business and results of operations. Any inability to successfully complete clinical development, whether independently or with a strategic collaborator, could result in additional costs to us or impair our ability to generate revenues from product sales, regulatory and commercialization milestone payments and royalties.

Conducting successful clinical trials requires the enrollment of large numbers of patients, and suitable patients may be difficult to identify and recruit.

Patient enrollment in clinical trials and completion of patient participation and follow-up depends on many factors, including the size of the patient population; the nature of the trial protocol; the attractiveness of, or the discomforts and risks associated with, the treatments received by enrolled subjects; the availability of appropriate clinical trial investigators; support staff; the number of ongoing clinical trials in the same indication that compete for the same patients; proximity of patients to clinical sites and ability to comply with the eligibility and exclusion criteria for participation in the clinical trial and patient compliance; the impact of global health crises. For example, patients may be discouraged from enrolling in our clinical trials if the trial protocol requires them to undergo extensive post-treatment procedures or follow-up to assess the safety and effectiveness of our products or if they determine that the treatments received under the trial protocols are not attractive or involve unacceptable risks or discomforts. Patients may also not participate in our clinical trials if they choose to participate in contemporaneous clinical trials of competitive products.

Delays in subject enrollment may result in increased costs or may affect the timing or outcome of the planned clinical trials, which could prevent completion of these trials and adversely affect our ability to advance the development of our product candidates.

If we are unable to maintain any of our existing collaborations, or if these arrangements are not successful, or we are unable to enter into future licenses, our business could be adversely affected.

We have entered into collaborations with other parties, including pharmaceutical and biotechnology companies like Hansoh Pharmaceutical Group Company Limited, or Hansoh, Mallinckrodt plc, or Mallinckrodt, and AstraZeneca PLC, or AstraZeneca, to develop products based on our RNAi technology, and such collaborations and licensing arrangements currently represent a significant portion of our product candidate pipeline. Certain of our collaborations have provided us with important funding for some of our development programs and we expect to receive additional funding under collaborations in the future if certain milestones are achieved although not all of our collaborations may result in funding to us, and certain collaborations, licenses and agreements may result in increased expenditures by us.

Our dependence on collaborators for capabilities and funding means that our business could be adversely affected if any collaborator materially amends or terminates its collaboration agreement with us or fails to perform its obligations under that agreement. Our current or future collaborations, if any, may not be scientifically or commercially successful. Disputes may arise in the future with respect to the ownership of rights to technology or products developed with collaborators, which could have an adverse effect on our ability to develop and commercialize any affected product candidate. Our current collaborations allow, and we expect that any future collaborations will allow, either party to terminate the collaboration for a material breach by the other party. In addition, our collaborators may have additional termination rights for convenience with respect to the collaboration or a particular program under the collaboration, under certain circumstances. For example, our collaboration agreements with Mallinckrodt, AstraZeneca and Hansoh may each be terminated by the respective collaborator at any time upon prior written notice to us. If we were to lose a collaborator, we may have to attract a new collaborator or develop expanded research and development, sales, distribution and marketing capabilities internally, which would require us to invest significant amounts of financial and management resources.

We are actively exploring licenses and other strategic collaborations with additional pharmaceutical and biotechnology companies for development and potential commercialization of therapeutic products. However, we face significant competition in seeking appropriate collaborators. If we are unable to reach agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, we may have to curtail the development of a product candidate, reduce or delay our development programs, delay potential commercialization, or increase our expenditures and undertake development or commercialization activities at our own expense. If we elect to fund and undertake development or commercialization activities on our own, we may need to obtain additional expertise and additional capital, which may not be available to us on acceptable terms or at all.

We rely on third parties to conduct some aspects of our manufacturing, research and development activities, and those third parties may not perform satisfactorily, including failing to meet deadlines for the completion of research or clinical testing, or may terminate our agreements.

We do not expect to independently conduct all aspects of our manufacturing and drug discovery activities, research or preclinical and clinical studies of product candidates. We currently rely, and expect to continue relying, on third parties to conduct some aspects of our drug development studies and chemical syntheses. Any of these third parties may terminate their engagements with us at any time. If we need to enter into alternative arrangements, it would delay our product development activities. Our reliance on these third parties for research and development activities will reduce our control over these activities but will not relieve us of our responsibilities. If these third parties do not successfully carry out their contractual duties, meet expected deadlines or conduct our pre-clinical and clinical studies in accordance with regulatory requirements or our stated study plans and protocols, we will not be able to complete, or may be delayed in completing, the necessary preclinical studies to enable us to progress viable product candidates for investigational new drug, or IND, submissions or comparable foreign submissions and will not be able to, or may be delayed in our efforts to, advance our clinical trials which would prevent us from successfully developing and commercializing our product candidates.

Although our research and development services can only be performed by us or at our discretion, we rely on third party clinical investigators, CROs, clinical data management organizations, medical institutions and consultants to design, conduct, supervise and monitor preclinical studies and clinical trials in relation to our product candidates. Because we rely on third parties and do not have the ability to conduct clinical trials independently, we have less control over the timing, quality and other aspects of clinical trials than we would if we conducted them on our own. These investigators, CROs and consultants are not our employees and we have limited control over the amount of time and resources that they dedicate to our programs. These third parties may have contractual relationships with other entities, some of which may be our competitors, which may draw time and resources away from our programs. If we cannot contract with acceptable third parties on commercially reasonable terms, or at all, or if these third parties do not carry out their contractual duties, satisfy legal and regulatory requirements for the conduct of clinical trials or meet expected deadlines, our clinical development program could be delayed or otherwise adversely affected. In all events, we are responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols for the trial. The FDA and comparable foreign regulatory authorities require us to comply with GCP, other applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki for conducting, recording and reporting the results of clinical trials to assure that data and reported results are credible, accurate and complete and that the rights, integrity and confidentiality of trial participants are protected. We rely, for example, on third parties for aspects of quality control which are especially important in monitoring compliance with GCP requirements and avoiding any investigator fraud or misconduct in clinical research, such as practices including adherence to an investigational plan; accurate recordkeeping; drug accountability; obtaining completed informed consent forms; timely reporting of any adverse drug reactions; notifying appropriate investigational review boards, or IRBs, and ethics committees of progress reports and any significant changes; and obtaining documented IRB approvals or positive ethics committee opinions. Our reliance on third parties that we do not control does not relieve us of these responsibilities and requirements. The third parties with which we contract might not be diligent, careful or timely in conducting our clinical trials, as a result of which we could experience one or more lapses in quality controls or other aspects of clinical trial management, and the clinical trials could be delayed or unsuccessful. Any such event could have a material adverse effect on our business, financial condition, results of operations and prospects.

We rely on third-party manufacturers to produce our preclinical, clinical product candidates and certain starting material components, and we intend to rely on third parties to produce future clinical supplies of product candidates that we advance into clinical trials and commercial supplies of any approved product candidates.

Reliance on third-party manufacturers entails risks, including risks that we would not be subject to if we manufactured the product candidates ourselves, including:

- the inability to meet any product specifications and quality requirements consistently;
- a delay or inability to procure or expand sufficient manufacturing capacity;

- manufacturing and product quality issues related to scale-up of manufacturing;
- costs and validation of new equipment and facilities required for scale-up;
- a failure to comply with applicable government regulations and regulatory requirements;
- the inability to negotiate manufacturing or supply agreements with third parties under commercially reasonable terms or at all;
- termination or non-renewal of manufacturing agreements with third parties in a manner or at a time that is costly or damaging to us;
- the reliance on a limited number of sources, such that if we were unable to secure a sufficient supply of these product components, we will be unable to manufacture and sell future product candidates in a timely fashion, in sufficient quantities or under acceptable terms; and
- the losses incurred by us if our insurance coverage is insufficient to cover any loss, contamination or damage of chemical materials, product components or products made by any of our CMOs, once the materials or products have been shipped to us and the risk of loss has been transferred to us.

We face risks inherent in relying on contract manufacturing organizations, or CMOs, as any disruption, such as a fire, natural hazards, pandemic, epidemic, war or outbreak of an infectious disease at a CMO could significantly interrupt our manufacturing capability. We, or our contract manufacturers, any future collaborators and their contract manufacturers could be subject to periodic unannounced inspections by the FDA, competent authorities of EU Member States or other comparable foreign regulatory authorities, to monitor and ensure compliance with cGMP. Despite our efforts to audit and verify regulatory compliance, one or more of our third-party manufacturing vendors may be found on regulatory inspection by the FDA, competent authorities of EU Member States or other comparable foreign regulatory authorities to be noncompliant with cGMP regulations. Our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including shutdown of the third-party vendor or invalidation of drug product lots or processes, fines, injunctions, civil penalties, delays, suspension, variation or withdrawal of approvals, license revocation, seizures or recalls of product candidates or drugs, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our products, if approved, and significantly harm our business, financial condition, results of operations and prospects. If necessary to avoid future disruption, we may have to establish alternative manufacturing sources. This would require substantial capital on our part, which we may not be able to obtain on commercially acceptable terms or at all. Additionally, we may experience manufacturing delays as we build or locate replacement facilities and seek and obtain necessary regulatory approvals. If this occurs, we will be unable to satisfy manufacturing needs on a timely basis, if at all. Also, operating any new facilities may be more expensive than operating the then existing facility. Further, business interruption insurance may not adequately compensate us for any losses that may occur and we would have to bear the additional cost of any disruption. For these reasons, a significant disruptive event affecting the manufacturing facility could have drastic consequences, including placing our financial stability at risk.

Even if we complete the necessary preclinical studies and clinical trials, we cannot predict whether or when we will obtain regulatory approval to commercialize a product candidate and we cannot, therefore, predict the timing of any revenue from a future product.

Neither we nor any strategic collaborator can commercialize a product until the appropriate regulatory authorities, such as the FDA, European Commission or MHRA, have reviewed and approved the product candidate. The regulatory authorities may not complete their review processes in a timely manner, or we may not be able to obtain regulatory approval. Additional delays may result if an FDA Advisory Committee, or similar foreign governmental institution, recommends restrictions or conditions on approval or recommends non-approval. In addition, we or a strategic collaborator may experience delays or rejections based upon additional government regulation from future legislation or administrative action, or changes in regulatory agency or authority policy during the period of product development, clinical trials and the review process.

We cannot be sure that the FDA, the EMA or the European Commission or MHRA will accept the outcome of our preclinical testing and studies as sufficient to support the submission of an IND or a comparable foreign application or that the results of our clinical trials will be sufficient to support marketing approval. Furthermore, later clinical trials often produce unsatisfactory results even though prior clinical trials were successful. Moreover, the results of clinical trials may be unsatisfactory to the FDA, the EMA or European Commission, the MHRA or other comparable regulatory authorities even if we believe those clinical trials to be successful. The FDA, the competent authorities of EU Member States, the MHRA or other comparable regulatory authorities may suspend one or all of our clinical trials or the FDA, EMA or MHRA may require that we conduct additional clinical, preclinical, manufacturing, validation or drug product quality studies and submit that data before considering or reconsidering any new drug application, or NDA, or comparable foreign regulatory application that we may submit. Depending on the extent of these additional studies, approval of any applications that we submit may be significantly delayed or may cause the termination of such programs, or may require us to expend more resources than we have available. Regulatory authorities can delay, limit or deny approval of our product candidate for many reasons, including unsatisfactory efficacy and safety data from our trials disagreements over the design of our trial and/or manufacturing issues and a number of other factors which we and the regulators may disagree.

Even if we obtain regulatory approval for a product candidate, we will still face extensive regulatory requirements and our products may face future development and regulatory difficulties.

Even if we obtain regulatory approval in the United States and the European Union, the FDA and the European Commission may still impose significant restrictions on the indicated uses or marketing of our product candidates or impose ongoing requirements for potentially costly post-approval studies or post-market surveillance. The holder of an approved NDA in the United States, or a marketing authorization, or MA, in the European Union is obligated to monitor and report adverse events, or AEs, or adverse reactions and any failure of a product to meet the specifications in the NDA, or MA. The holder of an approved NDA or MA must also submit new or supplemental applications and obtain regulatory approval in order to make certain changes to the approved product, product labeling or manufacturing process. Advertising and promotional materials must comply with the relevant regulatory rules and, in the United States and in some EU Member States, are subject to FDA review or national regulatory review, in addition to other potentially applicable federal, state and foreign laws.

In addition, drug product manufacturers and their facilities are subject to payment of user fees or may require manufacturing and import authorizations, or MIAs, in the European Union, and continual review and periodic inspections by regulatory authorities for compliance with current good manufacturing practices, or cGMP, including quality control, quality assurance, and the maintenance of records and documentation to ensure that approved products are safe and consistently meet applicable requirements, and adherence to commitments made in the NDA or MA. We or any third party manufacturers we engage may be unable to comply with these cGMP and with other regulatory authority requirements. These requirements are enforced by regulatory authorities through periodic inspections of manufacturing facilities. If we or a regulatory authority discovers previously unknown problems with a product such as AEs of unanticipated severity or frequency, adverse reactions, or product quality issues, or problems with the facility where the product is manufactured, a regulatory authority may impose restrictions relative to that product or the manufacturing facility. A negative outcome from such inspection or a failure to provide adequate and timely corrective actions in response to deficiencies identified could result in enforcement action, including shutdown of the third-party vendor or invalidation of drug product lots or processes, warning letters, fines and civil penalties, suspension of production, suspension, variation or delay in product approval, license revocation, product seizure or recall of product candidates or approved products, plant shutdown, operating restrictions and criminal prosecutions or the delay, withholding, variation or withdrawal of product approval. If the safety of any product is compromised due to a manufacturer's failure to adhere to applicable laws or for other reasons, we may not be able to obtain regulatory approval for or successfully commercialize our products, which would seriously harm our business.

If there are changes in the application of legislation or regulatory policies, or if problems are discovered with a product or our manufacture of a product, or if we or one of our distributors, licensees or co-marketers fails to comply with regulatory requirements that apply to the conduct of clinical trials, manufacturing approval, marketing authorization of medicinal products and marketing of such products, both before and after grant of the marketing authorization, or with other applicable regulatory requirements, the regulators could take various actions such as:

- issuing a warning letter or untitled letter asserting that we are in violation of the law;
- seeking an injunction or imposing civil or criminal penalties or monetary fines;
- suspending, varying or withdrawing regulatory approval;
- suspending any ongoing clinical trials;
- refusing to approve a pending NDA or MA or supplements to an NDA or MA submitted by us;
- seizing product; or
- refusing to allow us to enter into supply contracts, including government contracts.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response and could generate negative publicity. The occurrence of any event or penalty described above may inhibit our ability to commercialize our future products and generate revenues.

Even if we obtain and maintain approval for our product candidates in one jurisdiction, we may never obtain approval for our product candidates with other regulatory authorities in other jurisdictions. Sales of our product candidates outside of the United States and the European Union will be subject to foreign regulatory requirements governing clinical trials and marketing approval and continual regulatory review. Failure to comply with EU and EU Member State laws that apply to the conduct of clinical trials, manufacturing approval, marketing authorization of medicinal products and marketing of such products, both before and after grant of the marketing authorization, or with other applicable regulatory requirements may result in administrative, civil or criminal penalties. These penalties could include delays or refusal to authorize the conduct of clinical trials, or to grant marketing authorization, product withdrawals and recalls, product seizures, suspension, withdrawal or variation of the marketing authorization, total or partial suspension of production, distribution, manufacturing or clinical trials, operating restrictions, injunctions, suspension of licenses, fines and criminal penalties.

We will be subject to ongoing obligations and oversight by regulatory authorities, including adverse event reporting requirements, marketing restrictions and, potentially, other post-marketing obligations, all of which may result in significant expense and limit our ability to commercialize such products, if approved.

We may not be able to obtain or maintain orphan drug designations for any of our product candidates, and we may be unable to maintain the benefits associated with orphan drug designation, including the potential for market exclusivity.

Regulatory authorities in some jurisdictions, including the United States, the EU and other European countries, may designate drugs or biologics for relatively small patient populations as orphan drugs. In the United States, under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biological product intended to treat a rare disease or condition. Such diseases and conditions are those that affect fewer than 200,000 individuals in the United States, or if they affect more than 200,000 individuals in the United States, there is no reasonable expectation that the cost of developing and making a drug available in the United States for these types of diseases or conditions will be recovered from sales of the drug. However, orphan drug designation must be requested before submitting an NDA and there can be no assurance that any such designation will be granted. If the FDA grants orphan drug designation, the identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

In the United States, orphan drug designation recipients can take advantage of special incentives provided by the FDA such as (i) potential market exclusivity of the product for seven years as the first sponsor (ii) tax credits for qualified clinical research for a designated orphan product and (iii) waiver of associated fees when submitting a marketing application to the FDA.

Similarly, in the European Union, orphan designation is intended to promote the development of medicinal products that are intended for (i) the diagnosis, prevention or treatment of life-threatening or chronically debilitating conditions (ii) either (a) such conditions affect not more than 5 in 10,000 persons in the EU when the application is made, or (b) the product without the benefits derived from orphan status, would not generate sufficient return in the EU to justify the necessary investment in developing the medicinal product; and (iii) there exists no satisfactory authorized method of diagnosis, prevention, or treatment of the condition that has been authorized in the EU, or even if such method exists, the product will be of significant benefit to those affected by that condition. In EU, orphan designation entitles a party to a number of incentives, such as fee reductions or fee waivers, protocol assistance, and access to the centralized marketing authorization procedure. Upon grant of a marketing authorization, orphan medicinal products are entitled to a ten-year period of market exclusivity for the approved therapeutic indication, which means that the EMA cannot accept another marketing authorization application or accept an application to extend for a similar product and the European Commission cannot grant a marketing authorization for the same indication for a period of ten years. The period of market exclusivity is extended by two years for orphan medicinal products that have also complied with an agreed PIP. This marketing exclusivity period can however, be reduced to six years if, at the end of the fifth year, it is established that the product no longer meets the criteria on the basis of which it received orphan medicinal product destination, including where it can be demonstrated on the basis of available evidence that the original orphan medicinal product is sufficiently profitable not to justify maintenance of market exclusivity or where the prevalence of the condition has increased above the threshold.

Our product candidate, divesiran (SLN124), has received orphan drug designation from the European Commission for the treatment of beta-thalassemia and from the FDA for the treatment of beta-thalassemia, myelodysplastic syndrome, or MDS, and polycythemia vera, or PV. Our drug candidate, SLN501 (collaboration with Mallinckrodt), has received orphan drug designation from the FDA for complement 3 glomerulopathy, or C3G. The EMA and the European Commission will reassess eligibility for divesiran orphan exclusivity at the time of MA review and can remove orphan status if the drug no longer meets the eligibility criteria, including offering a significant benefit to those affected, at that time. Moreover, even if we obtain orphan drug exclusivity in the future for a product candidate for these or other indications, such exclusivity may not effectively protect the product candidate from competition because different therapies can be approved for the same condition and the same therapies can be approved for different conditions but used off-label. Even after an orphan drug is approved, the FDA or European Commission can subsequently approve a different or a similar drug for the same condition if such regulatory authority concludes that the later drug is clinically superior because it is shown to be safer, more effective or makes a major contribution to patient care. Orphan drug exclusivity may also be lost if the regulatory authority later determines that the initial request for designation was materially defective. In addition, orphan drug exclusivity does not prevent the regulatory authority from approving competing drugs for the same disease or condition containing a different active ingredient. In addition, if a subsequent drug is approved for marketing for the same disease or condition as any of our product candidates that receive marketing approval, we may face increased competition and lose market share regardless of orphan drug exclusivity.

Although we have obtained Rare Pediatric Disease Designation for Divesiran (SLN124) for the treatment of beta-thalassemia, we may not realize the expected benefits of this designation.

A sponsor who receives an approval for a drug or biologic for a "rare pediatric disease" may qualify for a voucher that can be redeemed to receive a priority review of a subsequent marketing application for a different product. The sponsor of a rare pediatric disease drug product receiving a priority review voucher may transfer (including by sale) the voucher to another sponsor. The voucher may be further transferred any number of times before the voucher is used, as long as the sponsor making the transfer has not yet submitted the application. The FDA may also revoke any priority review voucher if the rare pediatric disease drug for which the voucher was awarded is not marketed in the U.S. within one year following the date of approval.

Divesiran has been granted rare pediatric disease designation, but designation of a drug for a rare pediatric disease does not guarantee that an NDA will meet the eligibility criteria for a rare pediatric disease priority review

voucher at the time the application is approved. Specifically, under the current statutory sunset provisions, after September 30, 2026, FDA may not award any rare pediatric disease priority review vouchers. Furthermore, a Rare Pediatric Disease Designation does not lead to faster development or regulatory review of the product, or increase the likelihood that it will receive marketing approval. We may or may not realize any benefit from receiving a voucher.

We may use our financial and human resources to pursue a particular research program or product candidate and fail to capitalize on programs or product candidates that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and human resources, we intend to leverage our existing licensing and collaboration agreements and may enter into new strategic collaboration agreements for the development and commercialization of our programs and potential product candidates in indications with potentially large commercial markets while focusing our internal development resources, and any future internal sales and marketing organization that we may establish, on research programs and product candidates intended for selected markets or patient populations, such as rare diseases. As a result, and even as we prioritize our current product candidates and clinical trials, we may forego or delay pursuit of other programs or product candidates or other indications that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on research and development programs and product candidates for specific indications may not yield any commercially viable products. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through strategic collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate, or we may allocate internal resources to a product candidate in a therapeutic area in which it would have been more advantageous to enter into a collaboration arrangement.

Any of our product candidates may cause adverse effects or have other properties that could delay or prevent their regulatory approval or limit the scope of any approved label or market acceptance.

AEs caused by our product candidates could cause us, other reviewing entities, clinical trial sites or regulatory authorities to interrupt, delay or halt clinical trials and could result in the denial of regulatory approval. Certain oligonucleotide therapeutics have been observed to result in injection site reactions and pro-inflammatory effects and may also lead to impairment of kidney or liver function. There is a risk that our future product candidates may induce similar AEs.

If AEs are observed in any clinical trials of our product candidates, including those that a strategic collaborator may develop under an agreement with us, our or our collaborators' ability to obtain regulatory approval for product candidates may be negatively impacted.

Further, if any of our future products, if and when approved for commercial sale, cause serious or unexpected side effects, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw their approval of the product or impose restrictions on our distribution in the form of a risk evaluation and mitigation strategy or comparable foreign strategy;
- regulatory authorities may require the addition of labeling statements, such as warnings or contraindications;
- we may be required to change the way the product is administered or conduct additional clinical trials;
- we could be sued and held liable for harm caused to patients; or
- our reputation may suffer.

Any of these events could prevent us or our collaborators from achieving or maintaining market acceptance of the affected product and could substantially increase the costs of commercializing our future products and impair our ability to generate revenues from the commercialization of these products either on our own or with the collaborator.

Even if any of our product candidates receive marketing approval, they may fail to achieve the degree of market acceptance by physicians, patients, third party payers and others in the medical community necessary for commercial success.

The product candidates that we are developing are based upon new technologies or therapeutic approaches. Key participants in pharmaceutical marketplaces, such as physicians, third-party payers and consumers, may not accept a product intended to improve therapeutic results based on RNAi technology. As a result, it may be more difficult for us to educate the medical community and third-party payers on the benefits of our product, or to provide favorable reimbursement and market access. The degree of market acceptance of our product candidates, if approved for commercial sale, will depend on a number of factors, including:

- the efficacy, safety and potential advantages of any of our product candidates compared to alternative treatments;
- our ability to offer our products for sale at competitive prices;
- the stability, shelf life, convenience and ease of storage and administration compared to alternative treatments;
- the willingness of the target patient population to try new treatments and of physicians to prescribe these treatments;
- our ability to hire and retain a sales force, or to engage one or more third party distributors for our products;
- the strength of marketing and distribution support;
- the availability of third-party payer coverage and adequate reimbursement for our product candidates;
- the prevalence and severity of any side effects; and
- any restrictions on the use of our products together with other medications.

Risks Related to Our Business Operations and Compliance with Government Regulations

We face competition from other companies that are working to develop novel drugs and technology platforms using technologies similar to ours. If these companies develop drugs more rapidly than we do or their technologies, including delivery technologies, are more effective, our ability to successfully commercialize drugs may be adversely affected.

We face potential competition from many different sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies, academic institutions, governmental agencies and public and private research institutions. Many of our competitors may have greater experience in research and development, manufacturing, managing clinical trials and/or regulatory compliance than we do, and may be better resourced financially. Any product candidates that we successfully develop and commercialize will compete with existing products and new products that may become available in the future. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and recruiting lead clinical trial investigators and establishing clinical study sites and patient registration for clinical studies, as well as in acquiring technologies complementary to, or necessary for, our programs.

Companies that complete clinical trials, obtain required regulatory authority approvals and commence commercial sale of their drugs before we do may achieve a significant competitive advantage, and our commercial opportunity could be reduced or eliminated if competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any products that we may develop and commercialize. Because our products and many potential competing products are in various stages

of preclinical and clinical development, and given the inherent unpredictability of drug development, it is difficult to predict which third parties may provide the most competition, and on what specific basis.

In addition to the competition we face from competing drugs in general, we also face competition from other companies working to develop novel drugs using technology that competes more directly with our own. We are aware of several other companies that are working to develop RNAi therapeutic products and other companies may develop alternative treatments for the diseases we have identified as being potentially treated with our siRNA molecules. To the extent those alternative treatments are more efficacious, less expensive, more convenient or produce fewer side effects, our market opportunity would be reduced.

Our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

We are highly dependent on principal members of our executive team, the loss of whose services may adversely impact the achievement of our objectives. Certain of our executive officers are "at will" employees and may terminate their employment with us at any time upon prior written notice. Recruiting and retaining other qualified employees for our business, including scientific and technical personnel, will also be critical to our success. There is currently a shortage of skilled executives in our industry, which is likely to continue. As a result, competition for skilled personnel is intense and the turnover rate can be high. We may not be able to attract and retain personnel on acceptable terms given the competition among numerous life sciences companies for individuals with similar skill sets. In addition, failure to succeed in preclinical studies and clinical trials may make it more challenging to recruit and retain qualified personnel.

The inability to recruit or loss of the services of any executive or key employee might impede the progress of our research, development and commercialization objectives.

We may need to expand our organization and may experience difficulties in managing this growth, which could disrupt our operations.

As of December 31, 2023 we had 109 employees. In the future we may expand our employee base to increase our managerial, scientific, operational, commercial, financial and other resources and to hire more consultants and contractors. Future growth would impose significant additional responsibilities on our management, including the need to identify, recruit, maintain, motivate and integrate additional employees, consultants and contractors. Also, our management may need to divert a disproportionate amount of its attention away from its day-to-day activities and devote a substantial amount of time to managing these growth activities. We may not be able to effectively manage the expansion of our operations, which may result in weaknesses in our infrastructure, give rise to operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. Our expected growth could require significant capital expenditures and may divert financial resources from other projects, such as the development of additional product candidates. Moreover, if our management is unable to effectively manage our growth, our expenses may increase more than expected, our ability to generate and/or grow revenues could be reduced, and we may not be able to implement our business strategy. Our future financial performance and our ability to commercialize product candidates and compete effectively will depend, in part, on our ability to effectively manage any future growth.

If we fail to introduce new products or keep pace with advances in technology, our business, financial condition and results of operations could be adversely affected.

We spend a relatively low amount on technological innovation compared to our larger competitors. There is a risk that competitors will be quicker to develop new technologies, new products for the same gene targets or new delivery methods of nucleic acids into novel cell types, particularly once competitors learn about new gene targets that we or our collaborators have selected for the development of siRNA molecules. We will need to successfully introduce new products to achieve our strategic business objectives. Our successful product development will depend on many factors, including our ability to attract strong talent to lead our research and development efforts, adapt to new technologies, obtain regulatory approvals on a timely basis, demonstrate satisfactory clinical results, manufacture products in an economical and timely manner, obtain appropriate intellectual property protection for our products, gain and maintain market acceptance of our products, and differentiate our products from those of our competitors. In

addition, patents attained by others may preclude or delay our commercialization of a product. There can be no assurance that any products now in development or that we may seek to develop in the future will achieve technological feasibility, obtain regulatory approval or gain market acceptance. If we cannot successfully introduce new products or adapt to changing technologies, our products may become obsolete and our revenue and profitability could suffer.

We face potential product liability and other claims, and, if successful claims are brought against us, we may incur substantial liability and costs.

The use of our product candidates in clinical trials and the sale of any products for which we obtain marketing approval exposes us to the risk of product liability claims, including claims related to impurities in our products or potential product recalls. Certain single-stranded oligonucleotide therapeutics have led to injection site reactions and pro-inflammatory effects and may also lead to impairment of kidney or liver function. There is a risk that our current and future product candidates, although double-stranded, may induce similar or other adverse events. Product liability claims might be brought against us by consumers, healthcare providers, life sciences companies or others selling or otherwise coming into contact with our products; other claims may be brought against us by third parties with whom we contract, or by current or former employees or consultants, including claims of wrongful terminations, discrimination, other violations of labor law or other alleged conduct. If we cannot successfully defend against such claims, we could incur substantial liability and costs. In addition, regardless of merit or eventual outcome, such claims may result in, among other things:

- impairment of our business reputation;
- withdrawal of clinical trial participants with respect to product liability claims;
- costs due to related litigation;
- distraction of management's attention from our primary business;
- substantial monetary awards to claimants;
- the inability to commercialize our product candidates; and
- decreased demand for our product candidates, if approved for commercial sale.

We maintain product liability insurance relating to the use of our therapeutics in clinical trials. However, such insurance coverage may not be sufficient to reimburse us for any expenses or losses we may suffer. Moreover, insurance coverage is becoming increasingly expensive and in the future we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability. If and when we obtain marketing approval for product candidates, we intend to expand our insurance coverage to include the sale of commercial products; however, we may be unable to obtain product liability insurance on commercially reasonable terms or in adequate amounts. On occasion, large judgments have been awarded in class action lawsuits based on drugs that had unanticipated adverse effects. A successful product liability claim or series of claims brought against us could cause our stock price to decline and, if judgments exceed our insurance coverage, could adversely affect our results of operations and business.

Cybersecurity risks and the failure to maintain the confidentiality, integrity, and availability of our computer hardware, software, data and internet applications and related tools and functions could result in damage to our reputation and/or subject us to costs, fines or lawsuits.

Our business requires manipulating, analyzing and storing large amounts of sensitive data, and, as a result, we and the third parties upon which we rely face a variety of evolving threats that could cause security incidents. Our business therefore depends on the continuous, effective, reliable, and secure operation of our computer hardware, software, networks, internet servers, third party technology service providers and related infrastructure. To the extent that our hardware or software, or the hardware or software of the third parties on whom we rely, malfunctions or

access to our data by internal research personnel is interrupted, our business could suffer. Cyber-attacks, malicious internet-based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity, and availability of our sensitive data and information technology systems, and those of the third parties upon which we rely. The regulatory environment governing information, security and privacy laws is increasingly demanding and continues to evolve, as further described below. Maintaining compliance with applicable security and privacy regulations may increase our operating costs. While we have implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective. We and the third parties upon which we rely are subject to a variety of evolving threats, including but not limited to social-engineering attacks (including through deep fakes, which may be increasingly more difficult to identify as fake, and phishing attacks), denial-of-service attacks, credential stuffing, credential harvesting, ransomware attacks, supply-chain attacks, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, attacks enhanced or facilitated by AI, fire, storm, flood, power loss, earthquakes, telecommunications failures, physical or software break-ins, software viruses, accidental or malicious insider-action and other similar threats. These events could lead to the unauthorized access, disclosure and use of our sensitive data. The techniques used by criminal elements to attack computer systems are sophisticated, change frequently and may originate from less regulated and remote areas of the world and increasingly involve highly resourced threat actors such as organized criminals and nation states. As a result, we cannot provide assurance that our efforts to address these techniques proactively or implement adequate preventative measures will always be successful.

Remote work has become more common and has increased risks to our information technology systems and data, as more of our employees utilize network connections, computers, and devices outside our premises or network, including working at home, while in transit and in public locations. Additionally, future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. We may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into our information technology environment and security program.

We rely on third-party service providers and technologies to operate critical business systems that process sensitive data. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. If our third-party service providers experience a security incident or other interruption, we could experience adverse consequences. While we may be entitled to damages if our third-party service providers fail to satisfy their privacy or security-related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award.

If we (or a third party upon whom we rely on) experience a security incident or are perceived to have experienced a security incident, we could experience adverse consequences, such as fines, damages, litigation and enforcement actions, additional reporting requirements and/or oversight, restrictions on processing sensitive data (including personal data), indemnification obligations; negative publicity, reputational harm, monetary fund diversions, diversion of management attention, and interruptions in our operations (including availability of clinical trial data). In addition, any sustained disruption in internet systems or network access provided by other companies could harm our business. Similarly, if a security incident were to occur we may be required to disclose such event. Such disclosures are costly, and the disclosure or the failure to comply with such requirements could lead to adverse consequences, including reputational damage, investigations and fines from regulators, as well as litigation. Furthermore, if we are required to disclose the occurrence of a cybersecurity incident, the price of our ADSs may be negatively impacted.

Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations.

Additionally, sensitive data of the Company could be leaked, disclosed, or revealed as a result of or in connection with our employees', personnel's, or vendors' use of generative artificial intelligence ("AI") technologies.

We are subject to stringent and evolving data privacy and security laws, regulations contractual obligations, industry standards, policies, and other obligations, and our actual or perceived failure to comply with such

obligations could lead to regulatory investigations or actions; litigation (including class actions); fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; and other adverse business consequences.

In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, process) personal data and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, sensitive third-party data, business plans, transactions, clinical trial data and financial information (collectively, sensitive data).

Our data processing activities subject us to privacy and data protection obligations, such as various laws, regulations, industry standards, external and internal privacy and security policies, contractual requirements, and other obligations relating to data privacy and security. The legislative and regulatory landscape for privacy and data protection continues to evolve, and there has been an increasing amount of focus on compliance in this area, with the potential to affect our business.

In the European Union and the United Kingdom, the collection and use of personal data (including health data) is governed by the provisions of the European Union's General Data Protection Regulation ("EU GDPR") and the United Kingdom's GDPR ("U.K. GDPR") respectively. The EU GDPR and U.K. GDPR apply to the processing of personal data (i) by businesses established in the European Economic Area ("EEA") or the United Kingdom, regardless of whether the processing takes place in the EEA or the United Kingdom, or (ii) of individuals located in the EEA or the United Kingdom, by businesses established outside of the EEA or the United Kingdom, where they process personal data to (a) offer goods or services to individuals in the EEA or the United Kingdom, or (b) monitor their behavior, as it takes place in the EEA or the United Kingdom (e.g., carrying out clinical trial activities in the EEA or the United Kingdom).

The EU GDRP and U.K. GDPR imposes data protection obligations on organizations processing personal data, including:

- disclosures to individuals, about, among others, how their personal data are processed, and the legal basis for such processing,
- limitations on the retention of personal data,
- mandatory data breach notification requirements in certain circumstances,
- data processing obligations on service providers who process personal data on behalf of other organizations,
- additional conditions when processing "sensitive data" under the EU GDPR and U.K. GDPR (which includes health and genetic data of individuals located in the EEA or the United Kingdom),
- having security measures in place appropriate to the risk of processing, and
- responding to individuals exercising their data subject rights under the EU GDPR and U.K. GDPR (i.e., right of access, erasure, rectification, restriction, objection, and data portability).

The GDPR also imposes strict rules on the transfer of personal data out of the EEA or United Kingdom to third countries, including the United States. In order to transfer personal data outside of the EEA/United Kingdom, businesses will need to rely on (i) an adequacy decision (i.e., a finding by the European Commission or the United Kingdom that the destination country offers an "adequate" level of data protection), (ii) an appropriate safeguard (e.g., Standard Contractual Clauses, the United Kingdom's International Data Transfer Agreement / Addendum, and the EU-U.S. Data Privacy Framework and the United Kingdom's extension thereto (which allows for transfers to relevant U.S.-based organizations who self-certify compliance and participate in the Framework)), or (iii) a derogation. Failure to comply with the requirements of the EU's GDPR may result in fines of up to 4% of an undertaking's total global annual turnover for the preceding financial year, or €20,000,000, whichever is greater. Failure to comply with the U.K. GDPR may result in fines of up to 4% of total global annual turnover or £17,500,000 for violations of the U.K.

GDPR. In addition to administrative fines, a wide variety of other potential enforcement powers are available to data supervisory authorities in respect of potential and suspected violations of the EU GDPR, including extensive audit and inspection rights, and powers to order temporary or permanent bans on all or some processing of personal data carried out by noncompliant actors. While we have taken steps to comply with the EU GDPR, and implementing legislation in applicable EU member states and the United Kingdom, including seeking to establish appropriate lawful bases for the various processing activities we carry out as a controller, adopting an international transfer mechanism, where applicable, reviewing our security procedures, and entering into data processing agreements with relevant vendors and business partners, we cannot guarantee that our efforts to achieve and remain in compliance have been, and/or will continue to be, fully successful.

Also, following the expiry of the post-Brexit transitional arrangements, the U.K. Information Commissioner's Office cannot be our "lead supervisory authority" in respect of any "cross border processing" for the purposes of the EU's GDPR. For so long as we are unable to, and/or do not, designate a lead supervisory authority in an EEA member state, we are not able to benefit from the EU GDPR's "one stop shop" mechanism. Among other things, this would mean that, in the event of a violation of the EU GDPR and U.K. GDPR affecting data subjects across the United Kingdom and the EEA, we could be investigated by, and ultimately fined by the U.K. Information Commissioner's Office and the supervisory authority in each and every EEA member state where data subjects have been affected by such violation. Other countries have also passed or are considering passing laws requiring local data residency and/or restricting the international transfer of data.

Similarly, failure to comply with federal and state laws in the United States regarding privacy and security of personal data could further expose us to penalties under privacy and data protection laws. Even if we are not determined to have violated these laws, government investigations into these issues typically require the expenditure of significant resources and generate negative publicity, which could harm our business.

In addition, on occasion our employees and personnel use generative AI technologies to perform their work, and the disclosure and use of personal data in generative AI technologies is subject to various privacy laws and other privacy obligations. Governments have passed and are likely to pass additional laws regulating generative AI. Our use of this technology could result in additional compliance costs, regulatory investigations and actions, and lawsuits. If we are unable to use generative AI, it could make our business less efficient and result in competitive disadvantages.

Our employees, consultants and contractors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements or insider trading violations, which could significantly harm our business.

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees, consultants or contractors could include intentional failures to comply with governmental regulations, comply with healthcare fraud and abuse and anti-kickback laws and regulations in the United States, the EU Member States, the United Kingdom and other jurisdictions, or failure to report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee misconduct could also involve the improper use of, including improper trading based upon, information obtained in the course of clinical studies, which could result in regulatory sanctions and serious harm to our reputation. We have adopted a code of business conduct and ethics and a robust compliance program, but it is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business and results of operations, including the imposition of significant fines or other sanctions.

Our relationships with U.S. healthcare providers, including physicians, and third-party payers will be subject to applicable U.S. anti-kickback, fraud and abuse, anti-bribery and other healthcare laws and regulations,

which could expose us to criminal sanctions, civil penalties, contractual damages, reputational harm and diminished profits and future earnings.

Healthcare providers and third-party payers play a primary role in the recommendation and prescription of any product candidates for which we obtain marketing approval. Our current and future arrangements with healthcare providers, third-party payers and customers may expose us to broadly applicable U.S. federal and state fraud and abuse, transparency, health data privacy, and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we research as well as market, sell and distribute our products for which we obtain marketing approval. If we are found to be in violation of any of any healthcare laws or any other federal or state regulations, we may be subject to significant administrative, civil and/or criminal penalties, damages, fines, disgorgement, imprisonment, exclusion from federal health care programs, additional reporting requirements and/or oversight, and the curtailment or restructuring of our operations.

Healthcare legislative and other regulatory reform measures may have a negative impact on our business and results of operations.

In the United States, there have been, and continue to be, legislative and regulatory developments regarding the healthcare system that could prevent or delay marketing approval of our product candidates, restrict or regulate post-approval activities, and affect our ability to profitably sell any product candidates for which we obtain marketing approval. Additionally, there has been heightened governmental scrutiny in the United States of pharmaceutical pricing practices in light of the rising cost of prescription drugs and biologics. Such scrutiny has resulted in several recent congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, require direct price negotiations for certain high-expenditure, single-source prescription drugs and biologics covered by the Medicare program, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for products. While any proposed measures will require authorization through additional legislation to become effective, Congress and the current administration have each indicated that they will continue to seek new legislative and/or administrative measures to control drug costs. At the state level, legislatures are increasingly passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or successfully commercialize our drugs.

In addition, the policies of the FDA, the competent authorities of the EU Member States, the EMA, the European Commission and other comparable regulatory authorities responsible for clinical trials may change and additional government regulations may be enacted. For instance, the regulatory landscape related to clinical trials in the EU recently evolved. The EU Clinical Trials Regulation, or CTR, which was adopted in April 2014 and repeals the EU Clinical Trials Directive, became applicable on January 31, 2022. The CTR allows sponsors to make a single submission to both the competent authority and an ethics committee in each EU Member State, leading to a single decision for each EU Member State. The assessment procedure for the authorization of clinical trials has been harmonized as well, including a joint assessment by all EU Member States concerned, and a separate assessment by each EU Member State with respect to specific requirements related to its own territory, including ethics rules. Each EU Member State's decision is communicated to the sponsor via the centralized EU portal. Once the clinical trial approved, clinical study development may proceed. The CTR foresees a three-year transition period. The extent to which ongoing and new clinical trials will be governed by the CTR varies.For clinical trials in relation to which application for approval was made on the basis of the Clinical Trials Directive before January 31, 2023, the Clinical Trials Directive will continue to apply on a transitional basis until January 31, 2025. By that date, all ongoing trials will become subject to the provisions of the CTR. The CTR will apply to clinical trials from an earlier date if the related clinical trial application was made on the basis of the CTR or if the clinical trial has already transitioned to the CTR framework before January 31, 2025. Compliance with the CTR requirements by us and our third-party service providers, such as CROs, may impact our developments plans. In light of the entry into application of the CTR on January 31, 2022, we may be required to transition clinical trials for which we have obtained regulatory approvals in accordance with the CTD to the regulatory framework of the CTR. Transition of clinical trials governed by the CTD to the CTR will be required for clinical trials which will have at least one site active in the E.U. on January 30, 2025. A transitioning application would need to be submitted to the competent authorities of E.U. Member States through

the Clinical Trials Information Systems and related regulatory approval obtained to continue the clinical trial past January 30, 2025. This would require financial, technical and human resources. If we are unable to transition our clinical trials in time, the conduct of those clinical trials may be negatively impacted. [CEULS1]

It is currently unclear to what extent the UK will seek to align its regulations with the EU in the future. The UK regulatory framework in relation to clinical trials is derived from existing EU legislation (as implemented into UK law, through secondary legislation). On January 17, 2022, the UK Medicines and Healthcare products Regulatory Agency, or MHRA, launched an eight-week consultation on reframing the UK legislation for clinical trials. The UK Government published its response to the consultation on March 21, 2023 confirming that it would bring forward changes to the legislation. These resulting legislative amendments will determine how closely the UK regulations will align with the CTR. Failure of the UK to closely align its regulations with the EU may have an effect on the cost of conducting clinical trials in the UK as opposed to other countries and/or make it harder to seek a marketing authorization for the Company's product candidates on the basis of clinical trials conducted in the United Kingdom.

Moreover, in order to obtain reimbursement for our products in some European countries, including some EU Member States, we may be required to compile additional data comparing the cost-effectiveness of our products to other available therapies. This Health Technology Assessment ("HTA") of medicinal products is becoming an increasingly common part of the pricing and reimbursement procedures in some EU Member States, including those representing the larger markets. The HTA process is the procedure to assess therapeutic, economic and societal impact of a given medicinal product in the national healthcare systems of the individual country. The outcome of an HTA will often influence the pricing and reimbursement status granted to these medicinal products by the competent authorities of individual EU Member States. The extent to which pricing and reimbursement decisions are influenced by the HTA of the specific medicinal product currently varies between EU Member States. In December 2021, Regulation No 2021/2282 on HTA amending Directive 2011/24/EU, was adopted in the EU. This Regulation, which entered into force in January 2022 and will apply as of January 2025, is intended to boost cooperation among EU Member States in assessing health technologies, including new medicinal products, and providing the basis for cooperation at EU level for joint clinical assessments in these areas. The Regulation foresees a three-year transitional period and will permit EU Member States to use common HTA tools, methodologies, and procedures across the EU, working together in four main areas, including joint clinical assessment of the innovative health technologies with the most potential impact for patients, joint scientific consultations whereby developers can seek advice from HTA authorities, identification of emerging health technologies to identify promising technologies early, and continuing voluntary cooperation in other areas. Individual EU Member States will continue to be responsible for assessing non-clinical (e.g., economic, social, ethical) aspects of health technologies, and making decisions on pricing and reimbursement. If we are unable to maintain favorable pricing and reimbursement status in EU Member States for product candidates that we may successfully develop and for which we may obtain regulatory approval, any anticipated revenue from and growth prospects for those products in the EU could be negatively affected. In light of the fact that the United Kingdom has left the EU, Regulation No 2021/2282 on HTA will not apply in the United Kingdom. However, the UK Medicines and Healthcare products Regulation Agency ("MHRA") is working with UK HTA bodies and other national organizations, such as the Scottish Medicines Consortium ("SMC"), the National Institute for Health and Care Excellence ("NICE"), and the All-Wales Medicines Strategy Group, to introduce new pathways supporting innovative approaches to the safe, timely and efficient development of medicinal products.

In addition, on April 26, 2023, the European Commission adopted a proposal for a new Directive and Regulation to revise the existing pharmaceutical legislation. If adopted in the form proposed, the recent European Commission proposals to revise the existing EU laws governing authorization of medicinal products may result in a decrease in data and market exclusivity opportunities for our product candidates in the EU and make them open to generic or biosimilar competition earlier than is currently the case with a related reduction in reimbursement status.

If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, our development plans may be impacted.

The United Kingdom's withdrawal from the EU may have a negative effect on global economic conditions, financial markets and our business, which could reduce the price of our common shares.

Following Brexit,the UK and the EU signed a EU-UK Trade and Cooperation Agreement, or TCA, which became provisionally applicable on January 1, 2021 and entered into force on May 1, 2021. This agreement provides details

on how some aspects of the UK and EU's relationship will operate going forwards however there are still uncertainties. The TCA primarily focuses on ensuring free trade between the EU and the UK in relation to goods, including medicinal products. Among the changes that have occurred are that Great Britain (England,Scotland and Wales) is treated as a "third country,"a country that is not a member of the EU and whose citizens do not enjoy the EU right to free movement.Northern Ireland continues to follow many aspects of the EU regulatory rules, particularly in relation to trade in goods. As part of the TCA, the EU and the UK recognize GMP inspections carried out by the other party and the acceptance of official GMP documents issued by the other party. The TCA also encourages, although it does not oblige, the parties to consult one another on proposals to introduce significant changes to technical regulations or inspection procedures. Among the areas of absence of mutual recognition are batch testing and batch release.The UK has unilaterally agreed to accept EU batch testing and batch release. However, the EU continues to apply EU laws that require batch testing and batch release to take place in the EU territory. This means that medicinal products that are tested and released in the UK must be retested and re-released when entering the EU market for commercial use.

As it relates to marketing authorizations, Great Britain has a separate regulatory submission process, approval process and a separate national marketing authorization. Northern Ireland continues, however, to be covered by the marketing authorizations granted by the European Commission. For example, the scope of a marketing authorization for a medicinal product granted by the European Commission or by the competent authorities of EU Member States no longer encompasses Great Britain (England,Scotland and Wales). In these circumstances, a separate marketing authorization granted by the UK competent authorities is required to place medicinal products on the market in Great Britain. Northern Ireland continues, however, to be covered by the marketing authorizations granted by the European Commission.

On February 27, 2023, the UK Government and the European Commission reached a political agreement on the so-called "Windsor Framework". The Framework is intended to revise the Northern Ireland Protocol to address some of the perceived shortcomings in its operation. The agreement was adopted at the Withdrawal Agreement Joint Committee on March 24, 2023. If the changes are adopted in the form proposed, medicinal products to be placed on the market in the UK will be authorized solely in accordance with UK laws. Northern Ireland would be reintegrated back into a UK-only regulatory environment under the authority of the MHRA with respect to all medicinal products. The implementation of the Windsor Framework would occur in stages, with new arrangements relating to the supply of medicinal products into Northern Ireland anticipated to take effect in 2025.

A significant proportion of the regulatory framework in the UK applicable to medicinal products is currently derived from EU Directives and Regulations. The potential for UK legislation to diverge from EU legislation following Brexit could materially impact the regulatory regime with respect to the development, manufacture, import, approval, and commercialization of our product candidates in the UK or the EU. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies governing clinical trials, our development plans may be impacted.

All of these changes could increase our costs and otherwise adversely affect our business. Any delay in obtaining, or an inability to obtain, any regulatory approvals, as a result of Brexit or otherwise, would prevent us from commercializing our product candidates in the UK or the EU and restrict our ability to generate revenue and achieve and sustain profitability. In addition, we may be required to pay taxes or duties or be subjected to other hurdles in connection with the importation of our product candidates into the EU. If any of these outcomes occur, we may be forced to restrict or delay efforts to seek regulatory approval in the UK or the EU for our product candidates, or incur significant additional expenses to operate our business, which could significantly and materially harm or delay our ability to generate revenues or achieve profitability of our business.Any further changes in international trade, tariff and import/export regulations as a result of Brexit or otherwise may impose unexpected duty costs or other non-tariff barriers on us. These developments, or the perception that any of them could occur, may significantly reduce global trade and, in particular, trade between the impacted nations and the UK. It is also possible that Brexit may negatively affect our ability to attract and retain employees, particularly those from the EU.

We may face uncertainty related to pricing, coverage and reimbursement for our product candidates.

Sales of our product candidates in the U.S., if approved, will depend, in part, on the extent to which such products will be covered by third-party payers, such as government health care programs, commercial insurance and managed

healthcare organizations. These third-party payers are increasingly limiting coverage and/or reducing reimbursements for medical products and services. A third-party payer's decision to provide coverage for a drug product does not imply that an adequate reimbursement rate will be approved. Further, one payer's determination to provide coverage for a drug product does not ensure that other payers will also provide coverage for the drug product. Coverage policies and third-party payer reimbursement rates may change at any time. In addition, the U.S. government, state legislatures and foreign governments have continued implementing cost-containment programs, including price controls, restrictions on reimbursement and requirements for substitution of generic products. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit our net revenue and results. Decreases in third-party payer reimbursement or a decision by a third-party payer to not cover any of our product candidates, if approved, could reduce physician usage of our product candidates, and have a material adverse effect on our sales, results of operations and financial condition. If we are unable to obtain adequate levels of reimbursement, our ability to successfully market and sell any product candidates will be harmed.

Exchange rate fluctuations may adversely affect our results of operations and cash flows.

The Company's consolidated financial statements are presented in U.K. pounds sterling. The individual financial statements of each subsidiary is prepared in the currency of the primary economic environment in which the entity operates (its functional currency). Our transactions are commonly denominated in U.K pounds sterling, however we receive payments under our collaboration agreements in U.S. dollars and we incur a portion of our expenses in other currencies, primarily Euros. As a result, fluctuations in exchange rates, particularly between the pound sterling on the one hand and the U.S. dollar and Euro on the other hand, may adversely affect our reported results of operations and cash flows. Our business and the price of our ADSs may be affected by fluctuations in foreign exchange rates between the pound sterling and these and other currencies, any of which may have a significant impact on our results of operations and cash flows from period to period.

If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and biological materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties.

Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials or other work-related injuries, this insurance may not provide adequate coverage against potential liabilities. In addition, we may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts. Failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

Inflation may adversely affect our operations, including increases in the prices of goods and services required for our operations.

High rates of inflation resulting from global events may adversely affect our operations in the event of increased prices of goods and services, such as energy and other operating costs, labor costs, materials costs and shipping costs, all of which may impact our direct costs. We are also experiencing increases in the cost of services provided by CMOs, CROs and other third parties with whom we do business, including significant increases in the cost of non-human primates required for studies. Such high inflation rates may result in unexpected and unbudgeted cost increases and may require changes to planned investments.

Risks Related to our Intellectual Property

If we are unable to obtain or protect intellectual property rights related to our current or future products and product candidates, we may not be able to compete effectively in our markets.

We rely upon a combination of patents, trade secret protection and confidentiality agreements to protect the intellectual property related to our current and future products and product candidates. The strength of patents in the biotechnology and life sciences field involves complex legal and scientific questions and can be uncertain. The patent applications that we own may fail to result in patents with claims that cover our current and future product candidates in the United States, European countries or in other territories. Even if patents do successfully issue, third parties may challenge their validity, enforceability or scope, which may result in such patents being narrowed or invalidated and our patents and patent applications may not adequately protect our intellectual property, or our current and future product candidates, and may not prevent others from designing around our claims.

If the patent applications we hold and/or have out-licensed with respect to our product candidates fail to issue or if their breadth or strength of protection is threatened, it could dissuade companies from collaborating with us to develop product candidates, and threaten our ability to commercialize, future products. We cannot offer any assurances about which, if any, patents will issue or whether any issued patents will be found invalid and unenforceable or will be threatened by third parties. A patent may be challenged through one or more of several administrative proceedings including Inter Partes Review, Post Grant Review, re-examination or opposition before the U.S. Patent and Trademark Office, or the USPTO, or European Patent Office, or the EPO, and by way of similar proceedings in certain other jurisdictions. For example, re-examination of, or oppositions to, patents owned by us have previously been initiated, and while we believe these proceedings did not or will not result in a commercially relevant impact on the individual patents, any successful challenge of patents or any other patents owned by us could deprive us of rights necessary for the successful commercialization of any product candidates that we or our strategic alliance partners may develop. Since patent applications in the United States and most other countries are confidential for a period of up to 18 months after filing, and some remain confidential until issued, we cannot be certain that we were the first to file any patent application related to a product candidate or an siRNA related technology or method. Furthermore, in certain situations, if we and one or more third parties have filed patent applications in the United States claiming the same subject matter, an administrative proceeding, known as a derivation proceeding (previously known as an interference), can be initiated to determine which applicant is entitled to the patent on that subject matter. Such administrative proceedings provoked by third parties or brought by us may be necessary to determine the priority of inventions with respect to our patents or patent applications, or those of our alliance partners. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to us from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms or at all. Our defense of a patent or patent application in such a proceeding may not be successful and, even if successful, may result in narrowed claims, which may or may not cover our current or future products and product candidates, and at substantial costs and distraction to our management and other employees.

In addition, patents have a limited lifespan. In the United States and many other countries and regions of the world including Europe, the natural expiration of a patent is generally 20 years after it is filed as a non-provisional patent application, or a PCT international patent application. Various extensions may be available, however, the life of a patent and the protection it affords is limited. Once the patent life has expired for a product, we may be open to competition from generic medications. Further, if we encounter delays in regulatory approvals, the period of time during which we could market a product candidate under patent protection could be reduced.

In addition to the protection afforded by patents, we rely on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable, processes for which patents are difficult to enforce and any other elements of our drug discovery and development processes that involve proprietary know-how, information or technology that is not covered by patents. Although each of our Silence Therapeutics GmbH employees either has to assign their inventions to us under German Employee Invention Law, or agrees to assign their inventions to us through an employee inventions agreement, and all of our employees, consultants, advisers and any third parties who have access to our proprietary know-how, information or technology enter into confidentiality agreements, we cannot provide any assurances that all such agreements have been duly executed or that our trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to our trade secrets or confidential proprietary information, or independently develop substantially equivalent information

and techniques. In addition, others may independently discover our trade secrets, proprietary know-how and information. For example, the FDA, as part of its transparency initiative, is currently considering whether to make additional information publicly available on a routine basis, including information that we may consider to be trade secrets or other proprietary information, and it is not clear at the present time how the FDA's disclosure policies may change in the future, if at all.

Further, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property in the United States, Europe and in other jurisdictions. If we are unable to prevent material disclosure of the non-patented intellectual property related to our technologies to third parties, and there is no guarantee that we will have any such enforceable trade secret protection, we may not be able to establish or maintain a competitive advantage in our market, which could materially adversely affect our business, results of operations and financial condition.

Third-party claims of intellectual property infringement may prevent or delay our development and commercialization efforts.

Our commercial success depends in part on our avoiding infringement of the patents and proprietary rights of third parties. There is a substantial amount of litigation, both within and outside the United States, involving patent and other intellectual property rights in the biotechnology and life sciences industries, including patent infringement lawsuits. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we and our strategic collaborators are pursuing development candidates and technologies.

Third parties may assert that we are employing their proprietary technology without authorization. There may be third-party patents or patent applications with claims to sequences, structures, materials, formulations, methods of manufacture or methods for treatment related to the use or manufacture of our product candidates that are broad enough to cover one of our product candidates or use of our technologies. Because patent applications can take many years to issue, there may be currently pending patent applications which may later result in patents with claims that our product candidates or use of our technologies may infringe. In addition, third parties may have or may obtain in the future patents and assert that our product candidates or use of our technologies infringes upon one or more claims of these patents. If any third-party patents were held by a court of competent jurisdiction to be valid and enforceable and to cover the manufacturing process of any of our product candidates, any molecules formed during the manufacturing process or any final product itself, the holders of any such patents may be able to block our ability to commercialize such product candidate, if approved, unless we obtained a license under the applicable patents, or until such patents expire. Similarly, if any third-party patents were held by a court of competent jurisdiction to be valid and enforceable and to cover aspects of our compositions, formulations or methods of use, including combination therapy, the holders of any such patents may be able to block our ability to develop and commercialize the applicable product candidate unless we obtained a license or until such patent expires. In either case, such a license may not be available on commercially reasonable terms or at all.

Parties making claims against us may obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize one or more of our product candidates. Defense of these claims, regardless of their merit, could involve substantial litigation expense and would be a substantial diversion of our management, other employees and resources from our business. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including up to treble damages and attorneys' fees for willful infringement, pay royalties, redesign our infringing products or obtain one or more licenses from third parties, which may be impossible or require substantial time and monetary expenditure.

We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time-consuming and unsuccessful.

Competitors may infringe our patents or the patents of our licensors. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming, even if we ultimately prevail. For example, in 2017, we commenced patent infringement litigation against Alnylam Pharmaceuticals Inc., or Alnylam. In December 2018, we and Alnylam entered into a settlement and license agreement to settle the litigation, which was related to Alnylam's RNAi product ONPATTRO. As part of the settlement, we

licensed specified patents to Alnylam, and Alnylam paid us a tiered royalty of up to one percent of its net sales of ONPATTRO in the European Union through December 2023.

In addition to the costs and potential distraction associated with enforcing our patents in a lawsuit, in an infringement proceeding, a court may decide that a patent of ours or our licensors is not valid or is unenforceable, or may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation or defense proceedings could put one or more of our patents at risk of being invalidated or interpreted narrowly and could put our patent applications at risk of not issuing which could negatively impact our ability to develop and potentially commercialize our product candidates, if approved.

Our efforts in a litigation may fail and, even if successful, may result in substantial costs and be a distraction to our management and other employees. We may not be able to prevent, alone or with our licensors, misappropriation of our intellectual property rights, particularly in countries where the laws may not protect those rights as fully as in the United States.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a material adverse effect on the price of our ADSs.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties.

We employ individuals who were previously employed at other biotechnology or life sciences companies. We may be subject to claims that our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information of our employees' former employers or other third parties. We may also be subject to claims that former employers or other third parties have an ownership interest in our patents. Litigation may be necessary to defend against these claims. There is no guarantee of success in defending these claims, and even if we are successful, litigation could result in substantial cost and be a distraction to our management and other employees.

Risks Related to Our ADSs

The trading price of our ADSs may be volatile, and you could lose all or part of your investment.

The trading price of our ADSs is likely to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control. The stock market in general and the market for biopharmaceutical companies in particular have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, investors may not be able to sell their ADSs at or above the price paid for the ADSs. In addition to the factors discussed in this "Risk Factors" section and elsewhere in this report, factors that are expected to affect the market price of our securities include:

- the commencement, enrollment or results of our planned and future clinical trials;
- positive or negative results, or perceived positive or negative results, from, or delays in, testing and clinical trials by us, collaborators or competitors;
- the results of our efforts to discover, develop, acquire or in-license additional product candidates and technologies;
- the loss of any of our key scientific or management personnel;
- regulatory, legal or tax developments in the United States, United Kingdom, the European Union and other countries;

- the success of competitive products or technologies;
- adverse actions taken by regulatory authorities with respect to our clinical trials or manufacturers;
- commencement of, or involvement in, litigation involving the Company;
- changes or developments in laws or regulations applicable to our product candidates or technologies;
- changes to our relationships with collaborators, manufacturers or suppliers;
- concerns regarding the safety of our product candidates;
- announcements concerning our competitors or the pharmaceutical industry in general;
- actual or anticipated fluctuations in our operating results;
- changes in financial estimates or recommendations by securities analysts;
- potential acquisitions, financings, collaborations or other corporate transactions;
- the trading volume of our ADSs on Nasdaq;
- coordinated trading in our ADSs by third parties, including market manipulation;
- publication of information, including in the media, online blogs and social media, about our company by third parties, including equity research analysts;
- sales of our ADSs by us, members of our senior management and directors or our shareholders;
- general economic, political, and market conditions and overall fluctuations in the financial markets in the United States, the United Kingdom, the European Union, and other countries, including impact of the wars in Ukraine and Israel and global and regional economic and political disruptions;
- stock market price and volume fluctuations of comparable companies and, in particular, those that operate in the biopharmaceutical industry; and
- investors' general perception of us and our business and any failure to meet expectations of investors or equity research analysts.

These and other market and industry factors may cause the market price and demand for our ADSs to fluctuate substantially, regardless of our actual operating performance, which may limit or prevent investors from selling their ADSs at or above the price paid for the ADSs and may otherwise negatively affect the liquidity of our ADSs.

Some companies that have experienced volatility in the trading price of their shares have been the subject of securities class action litigation. Any lawsuit to which we are a party, with or without merit, may result in an unfavorable judgment. We also may decide to settle lawsuits on unfavorable terms.

Any such negative outcome could result in payments of substantial damages or fines, damage to our reputation or adverse changes to our business practices. Defending against litigation is costly and time-consuming and could divert our management's and key employees' attention and our resources. Furthermore, during the course of litigation, there could be negative public announcements of the results of hearings, motions or other interim proceedings or developments, which could have a negative effect on the market price of our ADSs.

Future sales, or the possibility of future sales, of a substantial number of our ADSs could adversely affect the price of such securities.

Future sales of a substantial number of ADSs, or the perception that such sales will occur, could cause a decline in the market price of our ADSs. If our shareholders sell substantial amounts of ADSs on Nasdaq, or if the market perceives that such sales may occur, the market price of the ADSs and our ability to raise capital through an issue of equity securities in the future could be adversely affected.

If equity research analysts do not publish research or reports, or publish unfavorable research or reports, about us, our business or our market, the price and trading volume of our ADSs could decline.

The trading market for our ADSs may be influenced by the research and reports that equity research analysts publish about us and our business. As a company admitted to trading on Nasdaq, our equity securities are currently subject to coverage by a number of analysts. Equity research analysts may elect not to provide research coverage of our ADSs, and such lack of research coverage may adversely affect the market price of our ADSs. We will not have any control over the analysts or the content and opinions included in their reports. The price of our ADSs could decline if one or more equity research analysts downgrade our ADSs or issue other unfavorable commentary or research about us. If one or more equity research analysts ceases coverage of us or fails to publish reports on us regularly, demand for our ADSs could decrease, which in turn could cause the trading price or trading volume of our ADSs to decline.

Concentration of ownership of our ordinary shares (including ordinary shares represented by ADSs) among our existing senior management, directors and principal shareholders may prevent new investors from influencing significant corporate decisions and matters submitted to shareholders for approval.

Members of our senior management, directors and current beneficial owners of 5% or more of our ordinary shares and their respective affiliates, in the aggregate, beneficially owned approximately 58% of our issued and outstanding ordinary shares, based on the number of ordinary shares issued and outstanding as of March 1, 2024. As a result, depending on the level of attendance at general meetings of our shareholders, these persons, acting together, would be able to significantly influence all matters requiring shareholder approval, including the election, re-election and removal of directors, any merger, scheme of arrangement, or sale of all or substantially all of our assets, or other significant corporate transactions, and amendments to our articles of association. In addition, these persons, acting together, may have the ability to control the management and affairs of our company. Accordingly, this concentration of ownership may harm the market price of our ADSs by:

- delaying, deferring, or preventing a change in control;
- entrenching our management and/or the board of directors;
- impeding a merger, scheme of arrangement, takeover, or other business combination involving us; or
- discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

In addition, some of these persons or entities may have interests different than yours. For example, because many of these shareholders purchased their shares at prices substantially below the current market price of our ordinary shares and have held their shares for a longer period, they may be more interested in selling our company to an acquirer than other investors, or they may want us to pursue strategies that deviate from the interests of other shareholders.

Because we do not anticipate paying any cash dividends on our ordinary shares (including ordinary shares represented by ADSs) in the foreseeable future, capital appreciation, if any, will be your sole source of gains and you may never receive a return on your investment.

You should not rely on an investment in our ADSs to provide dividend income. Under current English law, a company's accumulated realized profits must exceed its accumulated realized losses (on a non-consolidated basis) before dividends can be paid. Therefore, we must have distributable profits before issuing a dividend. We have never declared or paid a dividend on our ordinary shares in the past, and we currently intend to retain our future earnings, if

any, to fund the development of our technologies and product candidates and the growth of our business. As a result, capital appreciation, if any, on our ADSs will be your sole source of gains for the foreseeable future. Investors seeking cash dividends should not purchase our ADSs.

We incur increased costs as a result of having our ADSs listed in the United States, and our senior management will be required to devote substantial time to new compliance initiatives and corporate governance practices.

As a company whose securities are publicly listed in the United States, and particularly after we no longer qualify as an "emerging growth company," or EGC, we incur significant legal, accounting and other expenses. For example, the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and the Consumer Protection Act, the listing requirements of Nasdaq and other applicable U.S. securities rules and regulations impose various requirements on non-U.S. reporting public companies, including the establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our senior management and other personnel need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations have increased our legal and financial compliance costs and have made some activities more time-consuming and costly, including obtaining director and officer liability insurance.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, regardless of whether or not we are an EGC, we are required to furnish a report by our senior management on our internal control over financial reporting. However, while we remain an EGC we are not required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To prepare for eventual compliance with Section 404, including the attestation report required once we no longer qualify as an EGC, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we need to continue to dedicate internal resources, potentially engage outside consultants, adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting.

As a result of the enhanced disclosure requirements of the U.S. securities laws, business and financial information that we report is broadly disseminated and highly visible to investors, which we believe may increase the likelihood of threatened or actual litigation, including by competitors and other third parties, which could, even if unsuccessful, divert financial resources and the attention of our management and key employees from our operations.

We may identify material weaknesses in our internal control over financial reporting. If we experience material weaknesses or significant deficiencies in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect our business.

While have previously identified and remediated material weaknesses, there can be no assurance that we will not identify additional control deficiencies or material weaknesses in the future.

In addition, if we identify new material weaknesses in the future, if we are unable to comply with the requirements of Section 404, in a timely manner, if we are unable to assert that our internal control over financial reporting is effective or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting when required, the accuracy and timing of our financial reporting may be adversely affected, potentially resulting in restatements of our financial statements, we may be unable to maintain compliance with securities law requirements regarding timely filing of periodic reports and applicable Nasdaq listing requirements, investors may lose confidence in our financial reporting, and our share price may decline as a result.

We are an "emerging growth company," and the reduced disclosure requirements applicable to emerging growth companies may make our ADSs less attractive to investors.

We are an EGC as defined in the SEC's rules and regulations and we will remain an EGC until the earlier to occur of (1) the last day of 2025, (2) the last day of the fiscal year in which we have total annual gross revenues of at least $1.235 billion, (3) the last day of the fiscal year in which we are deemed to be a "large accelerated filer" under SEC

rules, which means the market value of our equity securities that is held by non-affiliates exceeds $700 million as of the prior June 30th, and (4) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period. For so long as we remain an EGC, we are permitted and intend to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not EGCs. These exemptions include:

- not being required to comply with the auditor attestation requirements of Section 404;
- not being required to comply with any requirement that has or may be adopted by the PCAOB regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- reduced disclosure obligations regarding executive compensation; and
- an exemption from the requirement to seek nonbinding shareholder advisory votes on executive compensation or golden parachute arrangements.

We may choose to take advantage of some, but not all, of the available exemptions. We have taken advantage of reduced reporting burdens in this report. In particular, we have not included all of the executive compensation information that would be required if we were not an EGC. We cannot predict whether investors will find our ADSs less attractive if we rely on certain or all of these exemptions. If some investors find our ADSs less attractive as a result, there may be a less active trading market for our ADSs and our ADS price may be more volatile.

We qualify as a foreign private issuer and, as a result, we will not be subject to U.S. proxy rules and will be subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.

We report under the Exchange Act as a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including (i) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act; (ii) the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and (iii) the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information, or current reports on Form 8-K upon the occurrence of specified significant events. In addition, foreign private issuers are not required to file their annual report on Form 20-F until 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers also are exempt from Regulation Fair Disclosure, aimed at preventing issuers from making selective disclosures of material information. As a result of the above, you may not have the same protections afforded to shareholders of companies that are not foreign private issuers.

As a foreign private issuer, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from Nasdaq corporate governance listing standards. These practices may afford less protection to shareholders than they would enjoy if we complied fully with Nasdaq corporate governance listing standards.

As a foreign private issuer listed on Nasdaq, we are subject to corporate governance listing standards. However, Nasdaq rules permit a foreign private issuer like us to follow the corporate governance practices of its home country in lieu of certain Nasdaq corporate governance listing standards. Certain corporate governance practices in England, which is our home country, may differ significantly from Nasdaq corporate governance listing standards. For example, neither the corporate laws of England nor our articles of association require a majority of our directors to be independent; we may include non-independent directors as members of our nominations and remuneration committees; and our independent directors are not required to hold regularly scheduled meetings at which only independent directors are present. Therefore, our shareholders may be afforded less protection than they otherwise

would have under Nasdaq corporate governance listing standards applicable to U.S. domestic issuers. See "Item 16.G. Corporate Governance" for the exemptions to the Nasdaq corporate governance rules applicable to foreign private issuers.

We expect to lose our foreign private issuer status in 2025, which will require us to comply with the Exchange Act's domestic reporting regime and cause us to incur significant legal, accounting and other expenses.

As a foreign private issuer, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers. We do not expect to be a foreign private issuer as of June 30, 2024, which will require us to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers as of January 1, 2025, which are more detailed and extensive than the requirements for foreign private issuers. We will have to prepare our financial statements in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"), resulting in financial statements that are different from our historical financial statements, which may make it more difficult for investors to compare our financial performance over time. We will be required to make changes in our corporate governance practices in accordance with various SEC and Nasdaq rules. The regulatory and compliance costs to us under U.S. securities laws may be significantly higher as a domestic reporting company; as a result, our legal and financial compliance costs will increase and may be more time consuming.

Holders of our ADSs have fewer rights than our shareholders and must act through the depositary to exercise their rights.

Holders of our ADSs do not have the same rights as our shareholders who hold our ordinary shares directly and may only exercise their voting rights with respect to the underlying ordinary shares in accordance with the provisions of the deposit agreement. Holders of the ADSs will appoint the depositary or its nominee as their representative to exercise the voting rights attaching to the ordinary shares represented by the ADSs. When a general meeting is convened, if you hold ADSs, you may not receive sufficient notice of a shareholders' meeting to permit you to withdraw the ordinary shares underlying your ADSs to allow you to vote with respect to any specific matter. We will use commercially reasonable efforts to cause the depositary to extend voting rights to you in a timely manner, but we cannot assure you that you will receive voting materials in time to instruct the depositary to vote, and it is possible that you, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote. Furthermore, the depositary will not be liable for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a result, you may not be able to exercise your right to vote and you may lack recourse if your ADSs are not voted as you request. In addition, in your capacity as an ADS holder, you will not be able to call a shareholders' meeting.

You may be subject to limitations on transfers of your ADSs.

Your ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when deemed necessary or advisable by it in good faith in connection with the performance of its duties or at our reasonable written request, subject in all cases to compliance with applicable U.S. securities laws. In addition, the depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason, subject to certain rights to cancel ADSs and withdraw the underlying ordinary shares. Temporary delays in the cancellation of ADSs and withdrawal of the underlying ordinary shares may arise because the depositary has closed its transfer books or we have closed our transfer books, the transfer of ordinary shares is blocked to permit voting at a shareholders' meeting, or because we are paying a dividend on our ordinary shares or similar corporate actions.

In addition, holders of ADSs may not be able to cancel their ADSs and withdraw the underlying ordinary shares when they owe money for fees, taxes and similar charges and when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to the ADSs or to the withdrawal of our ordinary shares or other deposited securities.

The depositary for our ADSs is entitled to charge holders fees for various services, including annual service fees.

The depositary for our ADSs is entitled to charge holders fees for various services, including for the issuance of ADSs upon deposit of ordinary shares, cancellation of ADSs, distributions of cash dividends or other cash distributions, distributions of ADSs pursuant to share dividends or other free share distributions, distributions of securities other than ADSs and annual service fees. In the case of ADSs issued by the depositary into The Depository Trust Company, or DTC, the fees will be charged by the DTC participant to the account of the applicable beneficial owner in accordance with the procedures and practices of the DTC participant as in effect at the time. The depositary for our ADSs will not generally be responsible for any U.K. stamp duty or stamp duty reserve tax arising upon the issuance or transfer of ADSs.

The United Kingdom may impose a 1.5% stamp duty on our future issuances of ADSs.

Recently enacted U.K. legislation (the Retained EU Law (Revocation and Reform) Act 2023) provides for the revocation of EU laws and rights which, notwithstanding Brexit, currently remain effective in the U.K. Certain aspects of the stamp duty and stamp duty reserve tax treatment of our ordinary shares and ADSs are based on such EU laws and rights. Accordingly, unless steps are taken by the U.K. Government and/or parliament to preserve the current position (for example, by passing regulations under powers conferred by the legislation), then this could, in particular, result in a charge to stamp duty reserve tax, at the rate of 1.5% of the issue price, on the issuance of ADSs after December 31, 2023, which would represent an additional cost if we seek to raise further capital through the issuance of ADSs.

You may not receive distributions on our ordinary shares represented by the ADSs or any value for them if it is illegal or impractical to make them available to holders of ADSs.

Although we do not have any present plans to declare or pay any dividends, in the event we declare and pay any dividend, the depositary for the ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on our ordinary shares or other deposited securities after deducting its fees and expenses, or withholding of taxes. You will receive these distributions in proportion to the number of our ordinary shares your ADSs represent. However, in accordance with the limitations set forth in the deposit agreement, it may be unlawful or impractical to make a distribution available to holders of ADSs. We have no obligation to register under U.S. securities laws any offering of ADSs, ordinary shares or other securities received through such distributions. We also have no obligation to take any other action to permit distribution on the ADSs, ordinary shares, rights or anything else to holders of the ADSs. This means that you may not receive the distributions we make on our ordinary shares or any value from them if it is unlawful or impractical to make them available to you. These restrictions may have an adverse effect on the value of your ADSs.

Your right to participate in any future rights offerings may be limited, which may cause dilution to your holdings.

Under English law, shareholders usually have preemptive rights to subscribe on a pro rata basis in the issuance of new shares for cash. The exercise of preemptive rights by certain shareholders not resident in the United Kingdom may be restricted by applicable law or practice in the United Kingdom and overseas jurisdictions. We may from time to time distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make rights available to you in the United States unless we register the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. Also, under the deposit agreement, the depositary bank will not make rights available to you unless either both the rights and any related securities are registered under the Securities Act, or the distribution of them to ADS holders is exempted from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, we may not be able to establish an exemption from registration under the Securities Act. If the depositary does not distribute the rights, it may, under the deposit agreement, either sell them, if possible, or allow them to lapse. Accordingly, you may be unable to participate in our rights offerings and may experience dilution in your holdings. We are also permitted under English law to disapply preemptive rights (subject to the approval of our shareholders by special resolution or the inclusion in

our articles of association of a power to disapply such rights) and thereby exclude certain shareholders, such as overseas shareholders, from participating in a rights offering (usually to avoid a breach of local securities laws).

If we are a passive foreign investment company, there could be adverse U.S. federal income tax consequences to U.S. Holders.

Under the Internal Revenue Code of 1986, as amended, or the Code, we will be a passive foreign investment company, or PFIC, for any taxable year in which (i) 75% or more of our gross income consists of passive income, or (ii) 50% or more of the average quarterly value of our assets consists of assets that produce, or are held for the production of, passive income (including cash). For purposes of these tests, passive income includes dividends, interest, gains from the sale or exchange of investment property and certain rents and royalties. In addition, for purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets and received directly its proportionate share of the income of such other corporation. If we are a PFIC for any taxable year during which a U.S. Holder (as defined below under "Item 10.E. Taxation—Material U.S. Federal Income Tax Considerations for U.S. Holders") holds our ADSs, the U.S. Holder may be subject to adverse tax consequences regardless of whether we continue to qualify as a PFIC, including ineligibility for any preferred tax rates on capital gains or on actual or deemed dividends, interest charges on certain taxes treated as deferred, and additional reporting requirements.

Based on estimates of our income and assets, and certain assumptions with respect to the characterization of our assets as active or passive, we do not believe we were a PFIC for our taxable year ended December 31, 2023. However, no assurances regarding our PFIC status can be provided for any past, current or future taxable year. The determination of whether we are a PFIC is a fact-intensive determination made on an annual basis and the applicable law is subject to varying interpretation. Accordingly, our U.S. counsel expresses no opinion with respect to our PFIC status for any prior, current or future taxable year.

For further discussion of the PFIC rules and the adverse U.S. federal income tax consequences in the event we are classified as a PFIC, see the section titled "Taxation—Material U.S. Federal Income Considerations for U.S. Holders."

If a United States person is treated as owning at least 10% of our ordinary shares, such United States person may be subject to adverse U.S. federal income tax consequences.

For U.S. federal income tax purposes, if a United States person is treated as owning (directly, indirectly or constructively) 10% or more of our stock by vote or value, such U.S. holder will be treated as a "United States shareholder" with respect to each "controlled foreign corporation" in our group (if any). Because our group includes at least one U.S. subsidiary, our non-U.S. subsidiaries and any non-U.S. subsidiaries we were to form or acquire in the future will be treated as controlled foreign corporations.

A United States shareholder of a controlled foreign corporation will be required to annually report and include in its U.S. federal taxable income its pro rata share of "subpart F income," "global intangible low-taxed income" and investments in U.S. property by the controlled foreign corporations, regardless of whether we make any distributions of such income. Special rules, however, apply to United States persons that are partnerships or other pass-through entities. Certain deductions and credits for foreign income taxes paid or accrued by the controlled foreign corporation may be allowed to a corporate United States shareholder, but will not be allowed to an individual United States shareholder. We cannot provide any assurance that we will furnish to any United States shareholder the information required to comply with the reporting and tax-paying obligations discussed applicable to a United States shareholder in respect of controlled foreign corporations. Failure to comply with such reporting obligations may subject a holder of our ordinary shares that is a United States shareholder to significant monetary penalties and may prevent the statute of limitations with respect to its U.S. federal income tax return for the year for which reporting was due from starting. Holders of our ordinary shares that are United States persons should consult their tax advisors regarding the potential application of these rules to their investment in our ordinary shares.

We may be unable to use U.K. carryforward tax losses to reduce future tax payments or benefit from favorable U.K. tax legislation.

As a U.K. resident trading entity, we are subject to U.K. corporate taxation. Due to the nature of our business, we have generated losses since inception. As of December 31, 2023, we had cumulative carryforward tax losses of £155.8 million. Subject to any relevant restrictions (including those that limit the percentage of profits that can be reduced by carried forward losses and those that can restrict the use of carried forward losses where there is a change of ownership of more than half the ordinary shares of the company and a major change in the nature, conduct or scale of the trade), we expect these to be available to carry forward and offset against future operating profits.

As a company that carries out extensive research and development, or R&D, activities, we seek to benefit from the U.K. R&D tax relief programs, being the Small and Medium-sized Enterprises R&D tax relief program, or SME Program, and, for certain specific categories of expenditure, the Research and Development Expenditure Credit program, or RDEC Program. The SME Program may be particularly beneficial to us, as under such program the trading losses that arise from our qualifying R&D activities can be surrendered for a cash rebate of up to 33.35% of qualifying expenditure incurred prior to April 1, 2023, and up to 18.6% of qualifying expenditure incurred thereafter. Amendments to the U.K. R&D tax credit regime that are contained in the Finance Bill currently proceeding through the U.K. Parliament will increase the cash rebate that may be claimed from such date to 26.97% of qualifying expenditure, if we qualify as an "R&D-intensive SME" for an accounting period (broadly, a loss making SME whose qualifying R&D expenditure represents 40% (or, from April 1, 2024, 30%) or more of its total expenditure for that accounting period). These amendments will also with effect from April 1, 2024 (i) (unless limited exceptions apply) introduce restrictions on the tax relief that can be claimed for expenditure incurred on sub-contracted R&D activities or externally provided workers, where such sub-contracted activities are not carried out in the U.K. or such workers are not subject to U.K. payroll taxes, and (ii) merge the SME Program and the RDEC Program into a single scheme. If such proposals are implemented as currently provided in the Finance Bill, and we do not qualify as an R&D-intensive SME, we will either cease to be able to claim cash rebates in respect of our R&D activities, or only be able to receive such cash rebates at a significantly lower rate than at present. These and other potential future changes to the U.K. R&D tax relief programs may mean we no longer qualify or have a material impact on the extent to which we can make claims or benefit from them.

In the event we generate revenues in the future, we may benefit from the U.K. "patent box" regime that allows profits attributable to revenues from patents or patented products to be taxed at an effective rate of 10%. As of December 31, 2023, we own 18 patent families with each family creating rights in current or future patent applications which, if issued, would cover our product candidates, and accordingly, future upfront fees, milestone fees, product revenues and royalties could be taxed at this tax rate. When taken in combination with the enhanced relief available on our research and development expenditures, we expect a long-term lower effective rate of corporation tax to apply to us. If, however, there are unexpected adverse changes to the U.K. research and development tax credit regime or the "patent box" regime, or for any reason we are unable to qualify for such advantageous tax legislation, or we are unable to use net operating loss and tax credit carryforwards and certain built-in losses to reduce future tax payments, our business, results of operations, and financial condition may be adversely affected. This may impact our ongoing requirement for investment and the timeframes within which additional investment is required.

Changes and uncertainties in the tax system in the countries in which we have operations, could materially adversely affect our financial condition and results of operations, and reduce net returns to our shareholders.

We conduct business in the United Kingdom, Germany and the United States and file income tax returns in multiple jurisdictions. Our consolidated effective income tax rate could be materially adversely affected by several factors, including: changing tax laws, regulations and treaties, or the interpretation thereof; tax policy initiatives and reforms under consideration (such as those related to the Organization for Economic Co-Operation and Development's, or OECD, Base Erosion and Profit Shifting, or BEPS, Project, the European Commission's state aid investigations and other initiatives); the practices of tax authorities in jurisdictions in which we operate; the resolution of issues arising from tax audits or examinations and any related interest or penalties. Such changes may include (but are not limited to) the taxation of operating income, investment income, dividends received or (in the specific context of withholding tax) dividends paid.

Tax authorities may disagree with our positions and conclusions regarding certain tax positions, or may apply existing rules in an unforeseen manner, resulting in unanticipated costs, taxes or non-realization of expected benefits.

A tax authority may disagree with tax positions that we have taken, which could result in increased tax liabilities. For example, His Majesty's Revenue & Customs, or HMRC, the U.S. Internal Revenue Service or another tax authority could challenge our allocation of income by tax jurisdiction and the amounts paid between our affiliated companies pursuant to our intercompany arrangements and transfer pricing policies, including amounts paid with respect to our intellectual property development. Similarly, a tax authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable connection, often referred to as a "permanent establishment" under international tax treaties, and such an assertion, if successful, could increase our expected tax liability in one or more jurisdictions.

A tax authority may take the position that material income tax liabilities, interest and penalties are payable by us, for example where there has been a technical violation of contradictory laws and regulations that are relatively new and have not been subject to extensive review or interpretation, in which case we expect that we might contest such assessment. High-profile companies can be particularly vulnerable to aggressive application of unclear requirements. Many companies must negotiate their tax bills with tax inspectors who may demand higher taxes than applicable law appears to provide. Contesting such an assessment may be a lengthy and costly process and if we were unsuccessful in disputing the assessment, the implications could increase our anticipated effective tax rate, where applicable.

Protections found in provisions under the U.K. City Code on Takeovers and Mergers, or the Takeover Code, may delay or discourage a takeover attempt, including attempts that may be beneficial to holders of our ADSs.

The Takeover Code applies to an offer for a public company whose securities have been admitted to trading on a multilateral trading facility in the United Kingdom which includes AIM, at any time during the 10 years prior to the relevant date of an offer, provided that (i) the registered office of the company is in the United Kingdom and (ii) the company is considered by the Panel on Takeovers and Mergers, or the Takeover Panel, to have its place of central management and control in the United Kingdom. The way in which the test for central management and control is applied for the purposes of the Takeover Code may be different from the way in which it is applied by the U.K. tax authorities. Under the Takeover Code, the Takeover Panel looks to where the majority of the directors are resident, among other factors, for the purposes of determining where a company has its place of central management and control.

The Takeover Panel has confirmed that based on the current composition of our board, the Takeover Code will continue to apply to us. However, the Takeover Code could cease to apply in the future if any changes to the board composition result in the majority of the directors not being resident in the United Kingdom, Channel Islands and Isle of Man. Our articles of association have been amended to include certain important protections which would apply in the event that the Takeover Code ceases to apply.

The Takeover Code provides a framework within which takeovers of certain companies organized in the United Kingdom are regulated and conducted. The following is a brief summary of some of the most important rules of the Takeover Code:

- In connection with a potential offer, if, following an approach by or on behalf of a potential bidder, the company is "the subject of rumor or speculation" or there is an "untoward movement" in the company's share price, there is a requirement for the potential bidder to make a public announcement about a potential offer for the company, or for the company to make a public announcement about its review of a potential offer.

- When a person or group of persons acting in concert (a) acquires, whether by a series of transactions over a period of time or not, interests in shares carrying 30% or more of the voting rights of a company (which percentage is treated by the Takeover Code as the level at which effective control is obtained) or (b) increases the aggregate percentage interest they have when they are already interested in not less than 30% and not more than 50%, they must make a cash offer to all other shareholders at the highest price paid by them or any person acting in concert with them in the 12 months before the offer was announced.

- When interests in shares carrying 10% or more of the voting rights of a class have been acquired for cash by an offeror (i.e. a bidder) or any person acting in concert with them in the offer period (i.e. before the shares subject to the offer have been acquired) or within the previous 12 months, the offer must be in cash or be accompanied by a cash alternative for all shareholders of that class at the highest price paid by the offeror or any person acting in concert with them in that period. Further, if an offeror or any person acting in concert with them acquires for cash any interest in shares during the offer period, the offer must be in cash or accompanied by a cash alternative at a price at least equal to the price paid for such shares during the offer period.

- If after an announcement of a firm offer is made, the offeror or any person acting in concert with them acquires an interest in shares in an offeree company (i.e. a target) at a price higher than the value of the offer, the offer must be increased accordingly.

- The board of directors of the offeree company must appoint a competent independent adviser whose advice on the financial terms of the offer must be made known to all the shareholders, together with the opinion of the board of directors of the offeree company.

- Favorable deals for selected shareholders are not permitted, except in certain circumstances where independent shareholder approval is given and the arrangements are regarded as fair and reasonable in the opinion of the financial adviser to the offeree company.

- All shareholders must be given the same information.

- Those issuing documents in connection with a takeover must include statements taking responsibility for the contents thereof.

- Profit forecasts, quantified financial benefits statements and asset valuations must be made to specified standards and must be reported on by professional advisers.

- Misleading, inaccurate or untrue statements made in documents or to the media must be publicly corrected immediately.

- Actions during the course of an offer by the offeree company which might frustrate the offer are generally prohibited unless shareholders approve these plans. Frustrating actions would include, for example, lengthening the notice period for directors under their service contract or agreeing to sell off material parts of the target group.

- Stringent requirements are laid down for the disclosure of dealings in relevant securities during an offer, including the prompt disclosure of positions and dealings in relevant securities by the parties to an offer and any person who is interested (directly or indirectly) in 1% or more of any class of relevant securities.

- Employees of both the offeror and the offeree company and the trustees of the offeree company's pension scheme must be informed about an offer. In addition, the offeree company's employee representatives and pension scheme trustees have the right to have a separate opinion on the effects of the offer on employment appended to the offeree board of directors' circular or published on a website.

The rights of our shareholders may differ from the rights typically offered to shareholders of a U.S. corporation.

We are incorporated under English law. The rights of holders of ordinary shares and, therefore, certain of the rights of holders of our ADSs, are governed by English law, including the provisions of the U.K. Companies Act 2006, or the Companies Act, and by our articles of association. These rights differ in certain respects from the rights of shareholders in typical U.S. corporations. See "Description of Share Capital and Articles of Association—Differences in Corporate Law" filed as Exhibit 2.3 to this report for a description of the principal differences between the

provisions of the Companies Act applicable to us and, for example, the Delaware General Corporation Law relating to shareholders' rights and protections.

As an English company, certain capital structure decisions will require shareholder approval, which may limit our flexibility to manage our capital structure.

English law provides that a board of directors may only allot shares (or grant rights to subscribe for, or to convert any security into, shares) with the prior authorization of shareholders by ordinary resolution, being a resolution passed by a simple majority of votes cast, such authorization stating the aggregate nominal amount of shares that it covers and being valid for a maximum period of five years, each as specified in the articles of association or relevant shareholder resolution. In either case, this authorization would need to be renewed by our shareholders upon expiration (i.e., at least every five years). At the annual general meeting of shareholders held on April 27, 2023, we obtained authority from our shareholders to allot new shares or to grant rights to subscribe for or to convert any security into shares in the company up to a maximum aggregate nominal amount of £5,402,633.25 for a period of five years from the date of such annual general meeting of shareholders, which authorization will need to be renewed upon expiration (i.e., at least every five years) but may be sought more frequently for additional five-year terms (or any shorter period).

English law also generally provides shareholders with preemptive rights when new shares are issued for cash. However, it is possible for the articles of association, or for shareholders to pass a special resolution at a general meeting, being a resolution passed by at least 75% of the votes cast, to disapply preemptive rights. Such a disapplication of preemptive rights may be for a maximum period of up to five years from the date of adoption of the articles of association, if the disapplication is contained in the articles of association, or from the date of the shareholder special resolution, if the disapplication is by shareholder special resolution, but not longer than the duration of the authority to allot shares to which the disapplication relates. In either case, this disapplication would need to be renewed by our shareholders upon its expiration (i.e., at least every five years). At the annual general meeting of shareholders held on April 27, 2023, we obtained authority from our shareholders to disapply preemptive rights in connection with the allotment of equity securities up to a maximum aggregate nominal amount of £5,402,633.25 for a period of five years from the date of such annual general meeting of shareholders which disapplication will need to be renewed upon expiration (i.e., at least every five years), but may be sought more frequently for additional five year terms (or any shorter period).

English law also generally prohibits a public company from repurchasing its own shares without the prior approval of shareholders by ordinary resolution, being a resolution passed by a simple majority of votes cast, and other formalities. Such approval may be for a maximum period of up to five years. See "Description of Share Capital and Articles of Association" filed as Exhibit 2.3 to this report.

Claims of U.S. civil liabilities may not be enforceable against us.

We are incorporated under English law. Substantially all of our assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or to enforce judgments obtained in U.S. courts against them or us, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws.

The United States and the United Kingdom do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in England and Wales. In addition, uncertainty exists as to whether the English and Welsh courts would entertain original actions brought in England and Wales against us or our directors or senior management predicated upon the securities laws of the United States or any state in the United States. Any final and conclusive monetary judgment for a definite sum obtained against us in U.S. courts would be treated by the courts of England and Wales as a cause of action in itself and sued upon as a debt so that no retrial of the issues would be necessary, provided that certain requirements are met consistent with English law and public policy. Whether these requirements are met in respect of a judgment based upon the civil liability provisions of the U.S. securities laws is an issue for the English court making such decision. If an English court gives judgment for the sum payable under a U.S. judgment, the English judgment will be enforceable by methods generally available for this purpose.

As a result, U.S. investors may not be able to enforce against us or our senior management, board of directors or certain experts named herein who are residents of the United Kingdom or countries other than the United States any judgments obtained in U.S. courts in civil and commercial matters, including judgments under the U.S. federal securities laws.

Our articles of association provide that the U.S. federal district courts are the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

Our articles of association provide that the U.S. federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. However, the enforceability of similar federal court choice of forum provisions has been challenged in legal proceedings in the United States, and it is possible that a court could find this type of provision to be inapplicable, unenforceable, or inconsistent with other documents that are relevant to the filing of such lawsuits. In addition, the Securities Act provides that both federal and state courts have jurisdiction over suits brought to enforce any duty or liability under the Securities Act or the rules and regulations thereunder. Accepting or consent to this forum selection provision does not constitute a waiver by you of compliance with federal securities laws and the rules and regulations thereunder. You may not waive compliance with federal securities laws and the rules and regulations thereunder. If a court were to find the choice of forum provision contained in our articles of association to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our results of operations and financial condition. This choice of forum provision may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits.

ADS holders may not be entitled to a jury trial with respect to claims arising under the deposit agreement, which could result in less favorable results to the plaintiff(s) in any such action.

The deposit agreement governing our ADSs provides that owners and holders of ADSs irrevocably waive the right to a trial by jury in any legal proceeding arising out of or relating to the deposit agreement or the ADSs, including claims under U.S. federal securities laws, against us or the depositary to the fullest extent permitted by applicable law. If this jury trial waiver provision is prohibited by applicable law, an action could nevertheless proceed under the terms of the deposit agreement with a jury trial. Although we are not aware of a specific federal decision that addresses the enforceability of a jury trial waiver in the context of U.S. federal securities laws, it is our understanding that jury trial waivers are generally enforceable. Moreover, insofar as the deposit agreement is governed by the laws of the State of New York, New York laws similarly recognize the validity of jury trial waivers in appropriate circumstances. In determining whether to enforce a jury trial waiver provision, New York courts and federal courts will consider whether the visibility of the jury trial waiver provision within the agreement is sufficiently prominent such that a party has knowingly waived any right to trial by jury. We believe that this is the case with respect to the deposit agreement and the ADSs.

In addition, New York courts will not enforce a jury trial waiver provision in order to bar a viable setoff or counterclaim of fraud or one which is based upon a creditor's negligence in failing to liquidate collateral upon a guarantor's demand, or in the case of an intentional tort claim (as opposed to a contract dispute). No condition, stipulation or provision of the deposit agreement or ADSs serves as a waiver by any holder or beneficial owner of ADSs or by us or the depositary of compliance with any provision of U.S. federal securities laws and the rules and regulations promulgated thereunder.

If any owner or holder of our ADSs brings a claim against us or the depositary in connection with matters arising under the deposit agreement or the ADSs, including claims under U.S. federal securities laws, such owner or holder may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us or the depositary. If a lawsuit is brought against us or the depositary under the deposit agreement, it may be heard only by a judge or justice of the applicable trial court, which would be conducted according to different civil procedures and may result in different results than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action, depending on, among other things, the nature of the claims, the judge or justice hearing such claims, and the venue of the hearing.

ITEM 4: INFORMATION ON THE COMPANY

A. History and Development of the Company.

We were incorporated as a public limited company under the laws of England and Wales on November 18, 1994 under the name Stanford Rook Holdings plc with company number 2992058. In July 2005, we acquired Atugen AG, a company specializing in siRNA. On April 26, 2007, we changed our name to Silence Therapeutics plc. Our principal executive offices are located at 72 Hammersmith Road, London W14 8TH, United Kingdom and our telephone number is +44 (0)20-3457-6900. Our registered office address is 27 Eastcastle Street, London, W1W 8DH, United Kingdom. Our ADSs were listed on the Nasdaq Capital Market under the symbol "SLN" in September 2020. In June 2021, we moved our Nasdaq listing from the Nasdaq Capital Market tier to the Nasdaq Global Market tier. The SEC maintains a website at www.sec.gov which contains in electronic form each of the reports and other information that we have filed electronically with the SEC. Our website address is www.silence-therapeutics.com. Our agent for service of process in the United States is Harvard Business Services, Inc., 16192 Coastal Hwy, Lewes, Delaware 19958, USA.

Capital Expenditures

Our capital expenditures for the years ended December 31, 2023, 2022, and 2021 were £0.1 million, £0.4 million, and £1.3 million, respectively. These capital expenditures consisted primarily of lab and computer equipment.

B. Business Overview

We are a biotechnology company focused on discovering and developing novel molecules incorporating short interfering ribonucleic acid, or siRNA, to inhibit the expression of specific target genes thought to play a role in the pathology of diseases with significant unmet medical need. Our siRNA molecules are designed to harness the body's natural mechanism of RNAi by specifically binding to and degrading messenger RNA, or mRNA, molecules that encode specific targeted disease-associated proteins in a cell. By degrading the message that encodes the disease-associated protein, the production of that protein is reduced and its level of activity is lowered. In the field of RNAi therapeutics, this reduction of disease-associated protein production and activity is referred to as "gene silencing." Our proprietary mRNAi GOLD™ (**G**alNAc **Ol**igonucleotide **D**iscovery) platform consists of precision engineered product candidates designed to accurately target and 'silence' specific disease-associated genes in the liver. Using our mRNAi GOLD™ platform, we have generated siRNA product candidates both for our internal development pipeline as well as for out-licensed programs with third-party collaborators. Our wholly owned pipeline is currently focused in three therapeutic areas of high unmet need: cardiovascular disease, hematology and rare diseases.

Zerlasiran (SLN360) is our wholly owned siRNA designed to lower the body's production of apolipoprotein(a), a key component of lipoprotein(a), or Lp(a), that has been associated with an increased risk of cardiovascular events. High Lp(a) is a genetically determined cardiovascular risk factor affecting up to 20% of the world's population and is associated with a high risk of heart attack, stroke and aortic stenosis. There are currently no approved medicines that selectively lower Lp(a). In February 2022, we reported positive results from the single-ascending dose portion of the APOLLO phase 1 program evaluating zerlasiran in 32 healthy adults with high Lp(a) ≥150 nmol/L. In the single dose trial, participants in the top two zerlasiran single dose groups (300 mg and 600 mg) were observed to have experienced up to a 96% and 98% median reduction in Lp(a) levels, respectively, and median reductions of up to 71% and 81% from baseline persisted at 150 days. Further analysis showed median time-averaged Lp(a) reductions over 150 days exceeded 80% in the zerlasiran 300 mg and 600 mg dose groups. At day 365, some participants still exhibited substantial knockdown of Lp(a) to approximately 50% of baseline. Zerlasiran was well tolerated with no serious safety concerns reported. In November 2023, we reported positive topline results from the multiple dose portion of the APOLLO program in 36 adults with baseline Lp(a) levels ≥150 nmol/L and stable atherosclerotic cardiovascular disease (ASCVD). In the multiple dose trial, zerlasiran (200 mg, 300 mg and 450 mg) was administered twice subcutaneously at two different dosing intervals. Data demonstrated a significant reduction from baseline in Lp(a) of up to 99% at 90 days following injection of repeated doses. Lp(a) levels remained approximately 90% lower than baseline at 201 days (end of treatment period) at the two highest doses. A dose dependent reduction in low-density lipoprotein cholesterol (LDL cholesterol) and apolipoprotein B (ApoB) was also observed. Zerlasiran was well tolerated; no clinically important safety concerns were identified. Zerlasiran is currently being evaluated in the fully enrolled ALPACAR-360 phase 2 study in patients with Lp(a) levels 125 nmol/L at high risk of ASCVD events. We expect to report topline 36-week data in the first quarter of 2024 (primary endpoint) and topline 48-week data in the

second quarter of 2024. We are currently finalizing the design of our phase 3 Clinical Outcomes Trial. We continue to engage in global partnership discussions for future zerlasiran development and for potential future commercialization.

Divesiran (SLN124) is our wholly owned siRNA designed to inhibit *TMPRSS6* expression in the liver to raise hepcidin, a peptide hormone that is the master regulator of systemic iron balance. Divesiran has shown preclinical potential in several hematological disorders. Furthermore, divesiran has demonstrated proof of mechanism in the GEMINI phase 1 trial in healthy volunteers completed in May 2021. In the GEMINI study, divesiran was observed to increase average hepcidin approximately four-fold and reduce serum iron by approximately 50% after a single dose with effects persisting for at least two months. Data were presented at the American Society of Hematology (ASH) 2021 Annual Meeting and published in the American Journal of Hematology in July 2023. Divesiran is currently being studied in the SANRECO phase 1/2 trial in patients with polycythemia vera (PV). Divesiran has FDA Fast Track and orphan disease designations for PV. We plan to report data from the phase 1 portion of the study in the first half of 2024.

The potential of our mRNAi GOLD™ platform has been validated through ongoing research and development collaborations with leading pharmaceutical companies, such as AstraZeneca, Mallinckrodt and Hansoh. These collaborations collectively represent up to 14 pipeline programs and approximately $5.5 billion in potential milestones plus royalties.

We believe the potential for our mRNAi GOLD™ platform to address disease-associated genes in the liver is substantial. Only around one percent of the approximately 14,000 liver expressed genes have been targeted by publicly known siRNAs. Once in the clinic, early-stage GalNAC-conjugated RNAi programs have shown a much greater likelihood of advancement from the current phase of development compared to the pharmaceutical industry average. We aim to maximize our mRNAi GOLD™ platform by advancing both our proprietary and partnered pipelines.

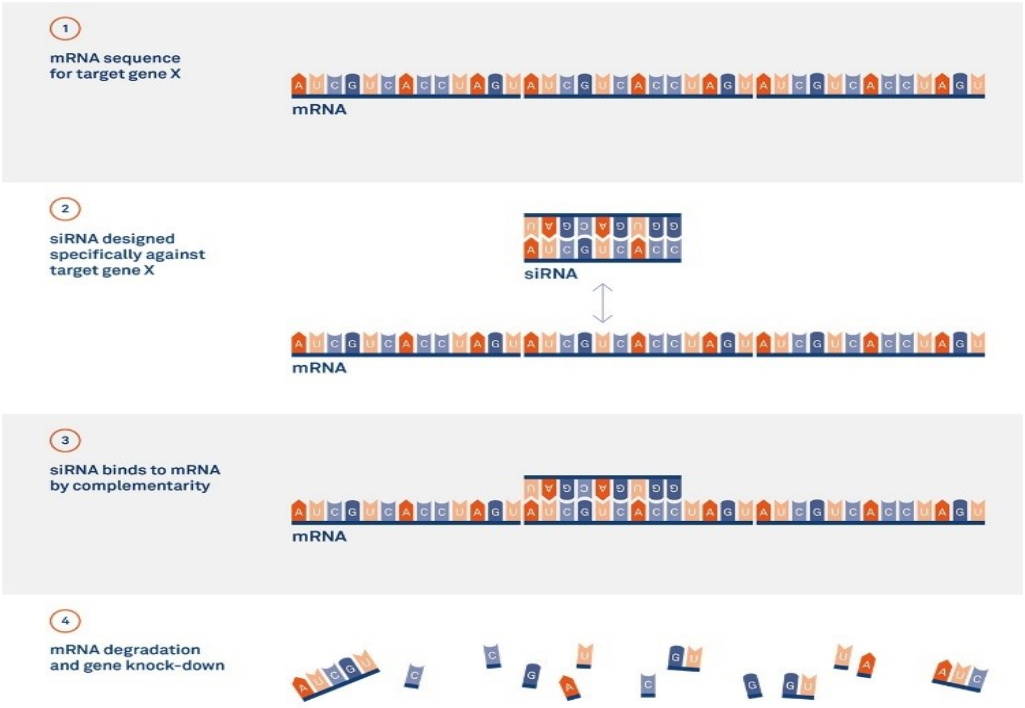
Background on siRNA Molecules and RNA Interference

Messenger RNA (mRNA) plays an essential role in the process used by cells to translate genetic information from DNA to create proteins. Transcription from DNA in the cell nucleus generates different types of RNA, including mRNA, which carries in the sequence of its nucleotides the genetic information which serves as molecular blueprints required for translation, or protein synthesis, outside of the nucleus where proteins are made. In some cases, cells produce mRNA erroneously, resulting in synthesis of too much of a particular protein or a mutated protein variant, which can lead to disease. Our siRNAs are designed to bind to undesirable mRNA, whereupon a natural process known as RNA interference, or RNAi, is triggered, resulting in catalytic degradation of the mRNA and reduced production and activity of the disease-associated protein.

RNAi is a naturally occurring biological pathway within cells for sequence-specific silencing and regulation of gene expression. RNAi was discovered by Andrew Fire and Craig Mello, for which they were awarded the 2006 Nobel Prize in Physiology or Medicine. RNAi therapeutics represent a novel advance in drug development that has the potential to transform the care of patients with genetic and other diseases. Historically, the pharmaceutical industry had developed only small molecules or recombinant proteins to inhibit the activity of disease-associated proteins. While this approach is effective for many diseases, a number of proteins cannot be inhibited by either small molecules or recombinant proteins. Some proteins lack the binding pockets small molecules require for interaction. Other proteins are solely intracellular and are therefore inaccessible to recombinant protein-based therapeutics, which are limited to cell surface and extracellular proteins. The unique advantage of RNAi is that, instead of targeting proteins, RNAi silences the expression of genes themselves via the targeted destruction of the mRNAs made from the gene. Rather than seeking to inhibit a protein directly, the RNAi approach works upstream to prevent its creation in the first place.

Once inside a cell, siRNA molecules are recognized by the endogenous RNAi cellular machinery, which removes one of the strands, referred to as a passenger strand, of the siRNA construct, thereby allowing the other strand, referred to as a guide strand, to find its target mRNA and bind to it through Watson-Crick base pairing. This site-specific binding triggers the biological process of RNAi interference, by which natural cellular machinery degrades target mRNA bound by the guide strand and thereby prevents it from being translated into functional proteins.

Our medicines are designed to harness this natural pathway to develop a new generation of therapeutics by designing tailored siRNA sequences that are able to bind through Watson-Crick base pairing to mRNAs that code for specific disease-associated genes, or genes that regulate them. Our siRNA molecules are administered by subcutaneous injection. Once administered, our siRNA molecules are taken up specifically by target liver cells or cleared from the body within hours. A single siRNA molecule, once in the liver and incorporated into the RNAi cellular machinery, can degrade large numbers of targeted mRNAs due to the catalytic nature of the cell's RNAi machinery. Because the catalytic activity of the RNAi pathway eventually fades with gradual degradation of the guide strands, RNAi-mediated protein reduction is not permanent. In our preclinical studies, we have observed a durable, dose-dependent silencing effect with our product candidates, with the highest dose resulting in reductions of between 50% and 85% or more of the target protein level over the course of several weeks to months following subcutaneous injection. As a result of the phase 1 clinical data we have generated in both our zerlasiran and divesiran programs, we believe that these observed results suggest that our product candidates could lead to similar results in humans. The graphic below shows the steps involved in the pairing of our siRNA molecules with the bases contained in the mRNA sequence for a particular target gene.



We believe that siRNA molecules can, in theory, be engineered to bind specifically to and silence almost any gene in the human genome to which siRNA can be delivered. This potentially broad application of siRNA therapeutics could allow them to become a new major class of drugs. We are currently able to deliver siRNA molecules to liver cells using GalNAc for receptor-mediated targeting. GalNAc is an amino-modified monosaccharide that binds to asialoglycoprotein receptors, or ASGPRs, with high affinity and specificity. When GalNAc-conjugated siRNA molecules reach the surface of liver cells, they are internalized in those cells, with those not internalized being excreted. Once internalized, the siRNAs specifically bind to their target mRNAs, degrading them through the cell's natural RNAi pathway. This GalNAc-siRNA drug modality is intended to enable precision medicine through the accuracy of Watson-Crick base pairing of the siRNA to its target gene mRNA, coupled with the specificity of GalNAc-mediated delivery to the target gene-containing liver cell.

Our mRNAi GOLD™ platform uses a novel structure of double-stranded RNA with chemical modifications designed to improve the stability and efficacy of our siRNA molecules as well as to enhance delivery to targeted liver cells. We incorporate proprietary chemical modifications to enhance drug properties of our siRNA molecules, such as potency, stability and tissue distribution. We believe this approach results in a powerful modular technology that will be well-suited to tackle life-changing diseases. Particular siRNA molecules are designed to reduce the levels of a disease-associated protein directly, such as in the case of zerlasiran. In preclinical studies and our phase 1 single-ascending dose study, zerlasiran was shown to directly reduce Lp(a) expression. Alternatively, in cases in which a disease-associated protein is normally subject to inhibition by a regulatory protein, siRNA molecules are designed to increase the levels of the disease-associated protein by silencing the inhibitory protein, thereby relieving inhibition and indirectly increasing levels of the protein normally subject to inhibition. In preclinical studies and in a phase 1 clinical trial in healthy volunteers, divesiran was shown to indirectly up-regulate hepcidin levels by reducing the expression of a specific gene, TMPRSS6, which normally inhibits the production of hepcidin. We will use this approach to address 'iron loading' anemia conditions in which hepcidin expression is typically low. Using these techniques, we believe we can design siRNA molecules to decrease high protein levels, and in some cases, to increase low protein levels, depending on the particular disease genes being targeted.

Our mRNAi GOLD™ Platform

Our mRNAi GOLD™ platform comprises elements of our GalNAc-siRNA toolbox, our liver cell targeting technology and our target selection and screening process.

GalNAc-siRNA Toolbox. Our mRNAi GOLD™ platform is a toolbox comprising several different elements that can be incorporated into our double-stranded siRNA structure, known as blunt-ended 19-mers, either singly or in different combinations depending on individual siRNA sequences. The toolbox elements include:

- sugar modifications of one or more select individual nucleotides;
- stabilizing modifications of one or more internucleoside linkages in the sense and antisense strands;
- stabilizing modifications at one or more of the ends of the siRNA molecules; and
- a versatile linker chemistry for GalNAc ligand conjugation in various numbers and configurations.

When applying these elements of our toolbox, we also aim to reduce the overall content of the sugar modifications and the number of undefined stereogenic centers in the siRNA molecule.

Liver Cell Targeting Technology. Blood flow and fenestra, or small openings in the endothelium, result in a large amount of the injected dose of a conjugated siRNA passing through the liver and reaching the main cell type of the liver known as a hepatocyte. Hepatocytes are cuboidal epithelial cells that line the liver sinusoids. Individual hepatocytes have approximately 0.5 to 1.0 million cell surface ASGPRs. GalNAc binds to ASGPRs with high affinity so that when GalNAc-conjugated siRNA reaches the hepatocytes, they are internalized into the cells where siRNA can bind and, as a result, can degrade the target mRNA, which in turn reduces production of the encoded protein and that protein's activity, thereby silencing the respective gene. Only a small fraction of the initial dose reaches the hepatocyte and the right compartment of the cell, but once the siRNA is there, it can stay active and intact for several months, allowing a small number of internalized siRNA molecules to exert a potent effect on the target mRNA. We apply the toolbox elements in the lead optimization phase to identify candidates that we believe will be potent with a long duration of action and have a favorable safety profile.

Target Selection and Screening Process. We are able to source potential product candidates through a proprietary target selection process. The selection of new targets involves a careful analysis of human genetics evidence, the biology underlying an indication, disease epidemiology and addressable population, the current standard of care and resulting medical need, the commercial landscape and the envisaged clinical path.

Our screening process relies on a proprietary *in silico* algorithm that seeks to predict the most efficacious and specific siRNAs for any given target. This bioinformatics function is designed to continuously improve *in silico* predictions for finding potentially potent and safe siRNA sequences. The highest scoring drug candidates subsequently undergo a multi-step evaluation process involving several rounds of *in vitro* screening in cell lines and primary

hepatocytes to identify the most potent molecules. Top candidates identified *in vitro* are then tested for safety and potential efficacy in animal models. At this point in the process, additional modification patterns and new chemistries are introduced for improvement of activity and duration of action while maintaining the desired safety profile. To be selected as a drug candidate for clinical trials, it further needs to be shown that a molecule is well tolerated, elicits no serious adverse effects, and achieves strong and long-lasting knockdown of the targeted gene in a study with non-human primates.

Our Pipeline

Our pipeline is centered around our liver-targeting mRNAi GOLD™ platform and consists of a diversified set of therapeutic areas, including cardiovascular disease, hematology and rare diseases.

*Silence retains exclusive rights to this program outside of the China region, which includes Hong Kong, Macau and Taiwan.

Our siRNA Product Candidates

Zerlasiran (SLN360)

Overview

Zerlasiran is an siRNA molecule designed for the treatment of cardiovascular disease associated with elevated Lp(a), a lipoprotein in the blood. Available human data validate Lp(a) as an independent risk factor increasing the chances of developing premature cardiovascular diseases, including coronary heart disease and unstable angina, as well as myocardial infarction and ischemic stroke. Zerlasiran is administered by subcutaneous injection and has the potential to reduce these diseases by specifically binding to and inducing RNAi-mediated degradation of the mRNAs made from *LPA*, the gene that encodes apolipoprotein(a), a protein specifically found in Lp(a). Zerlasiran's mode of action creates an opportunity to develop this product candidate for several indications for which Lp(a) has been shown to be a causal, independent risk factor.

Elevated levels of Lp(a) ≥ 125 nmol/L or approximately 50mg/dL are considered to affect up to 20% of the world's population. The incidence of elevated Lp(a) is thought to be higher in people with established cardiovascular disease and calcific aortic valvular stenosis. Additionally, elevated Lp(a) concentrations are associated with an increased risk of myocardial infarction and ischemic stroke, particularly in stroke patients 55 years of age and younger. There is a genetic link between plasma Lp(a) level and cardiovascular risk. Mutations that genetically cause elevated Lp(a) levels have been linked with increases in myocardial infarction, ischemic stroke, carotid stenosis, peripheral arterial disease (including femoral artery stenosis), abdominal aortic aneurysm, obstructed coronary vessels (i.e. coronary atherosclerotic burden), earlier onset of coronary artery disease, cardiovascular and all-cause mortality, increased risk of heart failure and reduced longevity. Importantly, these causal relationships are independent of concentrations of other lipids and lipoproteins, including low-density lipoprotein, or LDL, and conventional cardiovascular disease risk factors. Conversely, a genetically determined decrease in Lp(a) has been associated with a 29% lower risk of coronary artery disease, 31% lower risk of peripheral vascular disease, 17% lower risk of heart failure, 13% lower risk of stroke and a 37% lower risk of aortic stenosis.

In the APOLLO phase 1 program evaluating healthy adults and ASCVD patients with high Lp(a) levels ≥ 150 nmol/L, zerlasiran was well tolerated and observed to significantly reduce Lp(a) levels up to 99% with strong durability. Zerlasiran is currently being evaluated in the ALPACAR-360 phase 2 clinical trial in subjects with high Lp(a) ≥ 125 nmol/L at high risk of ASCVD events.

Disadvantages of existing treatment options

Lp(a) is not susceptible to lifestyle changes and there are no currently available pharmacological treatments that cause an appreciable reduction in Lp(a). The only existing treatment to reduce Lp(a) is apheresis, which involves the removal of blood plasma from the body by the withdrawal of blood, its separation into plasma and cells, and the reintroduction of the cells, used especially to remove antibodies in treating autoimmune diseases. This process can take between two and four hours and is performed every one to two weeks. Consequently, it is invasive and burdensome for patients, and it is only available at limited centers at a high cost. Apheresis is primarily used in Europe and it is not incorporated in the treatment guidelines in the United States.

There are currently no approved lipid-lowering agents specific to Lp(a). Several non-specific agents, largely targeting LDL cholesterol, have been observed to have only marginal or modest Lp(a) reductions, including ezetimibe (7%), niacin therapy (23%), cholesteryl ester transfer protein, or CETP, inhibitors (25-60%), and antisense oligonucleotide-mediated inhibition of apolipoprotein B (ApoB) by mipomersen (26%). Additionally, two monoclonal antibodies that inhibit proprotein convertase subtilisin/kexin type 9, or PCSK9, have been observed to reduce Lp(a) levels by 20%-30%. However, randomization studies have suggested that to produce a clinically significant reduction in cardiovascular risk, a larger reduction in Lp(a) may be required, something that we believe may be achieved by targeted RNA-based approaches such as ours.

APOLLO Phase 1 Clinical Program

The APOLLO phase 1 clinical program was a global randomized, double-blind, placebo controlled, single-ascending dose and multiple-ascending dose study investigating the safety, tolerability, pharmacodynamic and pharmacokinetic response of zerlasiran administered subcutaneously in healthy adults and ASCVD patients with high Lp(a) levels of approximately ≥ 60mg/dL or ≥ 150 nmol/L.

In February 2022, we reported positive results from the single-ascending dose portion of the APOLLO phase 1 program in 32 healthy adults with high Lp(a) ≥ 150 nmol/L. In April 2022, results were simultaneously presented in a late-breaking presentation at the ACC Annual Meeting and published in JAMA. In the single dose trial, participants in the top two dose groups (300 mg and 600 mg) were observed to have experienced up to a 96% and 98% median reduction in Lp(a) levels, respectively, and median reductions of up to 71% and 81% from baseline persisted at 150 days. Those receiving a placebo saw no change in Lp(a) levels. Other efficacy measures included the effects of zerlasiran on low-density lipoprotein cholesterol (LDL cholesterol) and ApoB, both of which are associated with an increased risk of cardiovascular events. The highest doses of zerlasiran reduced LDL cholesterol and ApoB by about 25%. Zerlasiran was well tolerated with no serious safety concerns reported. In November 2022, we presented a further analysis from the APOLLO trial up to 365 days at the American Heart Association 2022 Annual Meeting. The analysis showed median time-averaged Lp(a) reductions over 150 days exceeded 80% in the zerlasiran 300 mg and 600 mg dose groups. At day 365, some participants still exhibited substantially reduced levels of Lp(a) of approximately 50% compared to baseline. Additionally, extension data to day 365 showed no new drug related safety findings.

In November 2023, we reported positive topline results from the multiple-ascending dose portion of the APOLLO program in 36 adults with stable ASCVD and high Lp(a) ≥150 nmol/L. In the multiple dose trial, zerlasiran (200 mg, 300 mg and 450 mg) was administered twice subcutaneously at two different dosing intervals. Data demonstrated a significant reduction from baseline in Lp(a) of up to 99% at 90 days following injection of repeated doses. Lp(a) levels remained approximately 90% lower than baseline at 201 days (end of treatment period) at the two highest doses. A dose dependent reduction in low-density lipoprotein cholesterol (LDL cholesterol) and apolipoprotein B (ApoB) was also observed. Zerlasiran was well tolerated; no clinically important safety concerns were identified.

ALPACAR-360 Phase 2 Clinical Program

The ALPACAR-360 phase 2 clinical trial is a randomized, double-blind, placebo-controlled trial enrolling approximately 160 patients with high Lp(a) ≥ 125nmol/L at high risk of ASCVD events. The primary endpoint is time averaged change in Lp(a) from baseline. The study is fully enrolled and we expect to report topline 36-week data (primary endpoint) in the first quarter of 2024 and topline 48-week data in the second quarter of 2024.

Divesiran (SLN124)

Overview

Divesiran is an siRNA molecule designed for the treatment of genetic hematological conditions, including polycythemia vera (PV). PV is a myeloproliferative neoplasm characterized by the overproduction of blood cells and platelets. Elevated hematocrit is a hallmark of the disease, indicating the overproduction of red blood cells. Patients with hematocrit between 45-50% are four-times more likely to die from cardiovascular causes or major thrombotic events than those with hematocrit less than 45%. PV is a rare disease affecting approximately 150,000 in the U.S. and around 3.5 million worldwide.

Divesiran is administered subcutaneously and works by specifically binding to and inducing RNAi-mediated degradation of mRNAs made from the *TMPRSS6* gene. *TMPRSS6* is a negative regulator of hepcidin, which is the main hormone controlling iron homeostasis in the body. In PV, red blood cells are over-produced as a form of cancer, causing an increase in total red blood cell mass and overall blood thickness/stickiness as well as iron deficiency that adversely affects other cell types. Lowering levels of the *TMPRSS6* protein could increase hepcidin production, restricting iron availability to reduce red cell mass, hemoglobin levels, and hematocrit, as well as reallocate iron to normal functions.

Divesiran demonstrated proof of mechanism in the GEMINI phase 1 trial in healthy volunteers completed in May 2021. In the GEMINI study, divesiran was observed to increase average hepcidin approximately four-fold and reduce serum iron by approximately 50% after a single dose with effects persisting for at least two months. Data were presented at the American Society of Hematology (ASH) 2021 Annual Meeting and published in the American Journal of Hematology in July 2023. Divesiran has FDA Fast Track and orphan disease designations for PV, and is currently being evaluated in the SANRECO phase 1/2 trial in PV patients.

Disadvantages of existing treatment options

The primary treatment goal in PV is to reduce the risk of thrombotic events by reducing hematocrit (the percent volume of red blood cells in the blood) to within target levels. The mainstay of treatment is therapeutic phlebotomy to reduce the number of blood cells by regularly removing blood from the patient. Phlebotomy results in erratic, suboptimal control of hematocrit, and regular phlebotomies can be burdensome to the patient. Patients over 60, or those with prior thrombotic events or additional cardiovascular risk factors are also treated with chemotherapy drugs (cytoreductive agents) to suppress blood cell production. The majority of these patients are treated with hydroxyurea, which is poorly tolerated and carries the risk of potential long term side effects. Patients who are resistant or intolerant to hydroxyurea may be treated with the JAK2 inhibitor ruxolitinib (Jakafi), which carries the risk of thrombocytopenia (low platelet count). Finally, some patients are treated with synthetic hepcidin mimetic dosed weekly by subcutaneous injection in clinical trials. In contrast to synthetic hepcidin mimetics, divesiran elevates endogenous hepcidin produced and secreted by the liver, avoiding high local concentrations of hepcidin at the injection site. We believe the sustained duration of action will allow divesiran to be dosed monthly, or less frequently, bringing additional value to patients.

GEMINI Trial

The GEMINI trial was a randomized, double-blind, placebo controlled, single-ascending dose study to investigate the safety, tolerability, PK and PD response of divesiran (1.0, 3.0 and 4.5 mg/kg doses) administered subcutaneously in 24 healthy volunteers. Key outcomes included:

- All 3 dose levels were well tolerated with no serious or severe treatment emergent adverse events, or TEAEs, leading to withdrawal.

- Average hepcidin, a key endogenous regulator of iron balance and distribution, increased up to ~4-fold after a single dose with effect sustained for at least 2 months.

- Serum iron reduced by ~50% after a single dose with effect sustained for at least 2 months.

- Divesiran was rapidly distributed (median t_{max} was 4.0 or 5.0 hours) and largely eliminated from plasma within 24 hours post-dose in all dosing groups. Divesiran plasma concentrations increased in a greater than dose-linear fashion between dosing groups.

- All divesiran doses induced marked reductions in transferrin saturation, or TSAT; absolute levels of TSAT achieved (10–16%) are below the level (< 20%) where iron availability to tissue is restricted and at or below that (< 16%) required to support normal erythropoiesis in health.

GEMINI II Phase 1 Program

The GEMINI II phase 1 trial evaluated divesiran in non-transfusion dependent thalassemia patients. In the study, divesiran was well tolerated with no safety issues identified. While proof of mechanism has been established in healthy volunteers, the effects on indicators of iron metabolism were variable in this study population of heterogeneous thalassemia subjects. We are prioritizing R&D efforts on the ongoing PV program and do not have plans to advance development in thalassemia at this time.

SANRECO Phase 1/2 Program

The SANRECO phase 1/2 trial is a two-part clinical trial which includes a phase 1 open-label, dose finding trial followed by a phase 2 randomized, double-blind, placebo-controlled parallel arm study of divesiran in PV patients. The trial is expected to enroll approximately 65 participants total. The primary endpoint for the phase 1 portion of the trial is safety/tolerability and the assessment of the number of phlebotomies at different intervals. The phase 2 portion of the trial will evaluate the number of patients who are phlebotomy free after treatment. We plan to report data from the phase 1 portion of the study in the first half of 2024.

Collaborations

AstraZeneca

In March 2020, we entered into a collaboration agreement with AstraZeneca to discover, develop and commercialize siRNA therapeutics for the treatment of cardiovascular, renal, metabolic and respiratory diseases. Under this agreement, AstraZeneca made an upfront cash payment to us of $20.0 million in May 2020. AstraZeneca made an additional unconditional cash payment to us of $40.0 million which was received in May 2021. In March 2020, an affiliate of AstraZeneca also subscribed for 4,276,580 new ordinary shares for an aggregate subscription price of $20.0 million.

The collaboration covers five targets initially, with AstraZeneca having the option to extend the collaboration to a further five targets. AstraZeneca has agreed to pay us $10.0 million upon the exercise of each option to collaborate on an additional target. In May 2023, AstraZeneca nominated the first product candidate under our collaboration, triggering a $10 million option fee to us to advance development on an undisclosed program. For each target selected, we will be eligible to receive up to $140.0 million in potential milestone payments upon the achievement of milestones relating to the initiation of specified clinical trials, the acceptance of specified regulatory filings and the first commercial sale in specified jurisdictions. For each target selected, we will also be eligible to receive up to $250.0 million in potential commercial milestone payments, upon the achievement of specified annual net sales levels, as well as tiered royalties as a percentage of net sales ranging from the high single digits to the low double digits.

Mallinckrodt

In July 2019, we entered into a collaboration agreement with Mallinckrodt to develop and commercialize RNAi drug targets designed to silence the complement cascade in complement-mediated disorders. In connection with the

execution of this agreement, Mallinckrodt made an upfront cash payment to us of $20.0 million (equivalent to £16.4 million as of the payment date). Under a separate subscription agreement, Cache Holdings Limited, a wholly owned subsidiary of Mallinckrodt, concurrently subscribed for 5,062,167 new ordinary shares for an aggregate subscription price of $5.0 million (equivalent to £4.0 million as of the payment date). Under the agreement, we granted Mallinckrodt an exclusive worldwide license to our C3 targeting program, SLN501, with options to license two additional undisclosed complement-mediated disease targets from us. In July 2020, Mallinckrodt exercised options on the two additional complement targets.

In March 2023, we reacquired exclusive worldwide rights from Mallinckrodt to the two undisclosed preclinical complement targets. Under the terms of the modified agreement, we did not make any upfront payment to get the two assets back and will potentially pay future success-based milestones and low single digit royalties on net sales if the projects advance. SLN501, the C3 targeting program, remained under the original collaboration agreement. In March 2024, Mallinckrodt notified us that they will not pursue further development of SLN501 following the completion of the phase 1 clinical trial. This will conclude all activities and commitments under the collaboration agreement.

Hansoh

In October 2021, we announced a collaboration agreement with Hansoh, one of the leading biopharmaceutical companies in China, to develop siRNAs for three undisclosed targets leveraging our proprietary mRNAi GOLD™ platform. Under the terms of the agreement, Hansoh will have the exclusive option to license rights to the first two targets in Greater China, Hong Kong, Macau and Taiwan following the completion of phase 1 trials. We will retain exclusive rights for those two targets in all other territories. We will be responsible for all activities up to option exercise and will retain responsibility for development outside the China region post phase 1 trials. Hansoh will also have the exclusive option to license global rights to a third target at the point of IND filing. Hansoh will be responsible for all development activities post option exercise for the third target. Hansoh made a $16 million upfront payment to us in December 2021. We achieved our first $2 million research milestone payment in the Hansoh collaboration in April 2022. In 2023, we achieved two additional preclinical milestones and received $4 million from the collaboration. We are eligible to receive up to $1.3 billion in additional development, regulatory and commercial milestones. We will also receive royalties tiered from low double-digit to mid-teens on Hansoh net product sales.

Competition

The life sciences industry is characterized by rapidly advancing technologies, intense competition and a strong emphasis on proprietary products. We face potential competition from many different sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies, academic institutions, governmental agencies and public and private research institutions. Many of our competitors may have greater experience in research and development, manufacturing, managing clinical trials and/or regulatory compliance than we do, and may be better resourced financially. Any product candidates that we successfully develop and commercialize will compete with existing products and new products that may become available in the future. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and recruiting lead clinical trial investigators and establishing clinical study sites and patient registration for clinical studies, as well as in acquiring technologies complementary to, or necessary for, our programs.

Companies that complete clinical trials, obtain required regulatory authority approvals and commence commercial sale of their drugs before their competitors may achieve a significant competitive advantage, and our commercial opportunity could be reduced or eliminated if competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any products that we may develop and commercialize. Our competitors also may obtain FDA, EMA or other regulatory approval for their products more rapidly than we obtain approval, which could result in our competitors establishing a strong market position for either the product or a specific indication before we are able to enter the market. Drugs resulting from our research and development efforts or from our joint efforts with collaboration partners therefore may not be commercially competitive with our competitors' existing products or products under development. Because our products and many potential competing products are in various stages of preclinical and clinical development, and given the inherent unpredictability of drug development, it is difficult to predict which third parties may provide the most competition, and on what specific basis.

We consider a number of companies to be our competitors in developing RNAi therapeutic products. Some of these companies are seeking, as we are, to develop chemically synthesized siRNA molecules as drugs. Others are following a gene therapy approach, with the goal of treating patients not with synthetic siRNAs but with synthetic, exogenously-introduced genes designed to produce siRNA-like molecules within cells. Additionally, other companies may also develop alternative treatments for the diseases we have identified as being potentially treated with our siRNA molecules. To the extent those alternative treatments are more efficacious, less expensive, more convenient or produce fewer side effects, our market opportunity would be reduced.

We anticipate that we will face intense and increasing competition as new products and therapies enter the market and advanced technologies become available. We expect any treatments that we develop and commercialize to compete on the basis of, among other things, efficacy, safety, delivery, patient friendliness, price and the availability of reimbursement from government and other third-party payers.

Intellectual Property

Patents

We actively seek to protect the intellectual property and proprietary technology that we believe is important to our business, including seeking, maintaining, enforcing and defending patent rights and protecting our related know-how for our siRNA platform technologies such as siRNA stabilization chemistries, as well as for our specific siRNA targeting sequences and related therapeutics and processes, whether developed internally or licensed to third parties. Our success will depend on our ability to obtain and maintain patent and other protections including data/market exclusivity for our product candidates and platform technology, preserve the confidentiality of our know-how and operate without infringing the valid and enforceable patents and proprietary rights of third parties. See the "*Risk Factors-Risks Related to Intellectual Property*" section of this report.

Our policy is to seek to protect our proprietary position early, generally by filing an initial priority filing in the European Patent Office. This is followed by the filing of one or more international patent applications, including a patent application under the Patent Cooperation Treaty, or PCT, claiming priority from the initial application(s) and then filing regional and national applications for patent grant in territories including, for example, the United States and Europe. In each case, we determine the strategy and territories required after discussion with our patent attorneys and collaboration partners so that we obtain relevant coverage in territories that are commercially important to our technologies and product candidates. With respect to our product candidates and related methods that we intend to develop and commercialize in the normal course of business, we will seek patent protection covering, when legally possible, siRNA sequences alone and with chemical modifications, compositions, methods of use, dosing and formulations. We may also pursue patent protection with respect to manufacturing and drug development processes when possible. We intend to additionally rely on data exclusivity, market exclusivity, other regulatory exclusivities and patent term extensions when available. We also rely on trade secrets and know-how relating to our underlying platform technology and product candidates. In each case, we seek to balance the value of patent protection against the advantage of keeping know-how confidential.

Issued patents can provide exclusivity on claimed subject matter for varying periods of time, typically starting on the date of patent grant and expiring at the end of the legal term of a patent in the country in which it is granted. In general, patents provide exclusionary rights for 20 years from the effective filing date of a non-provisional patent application in a particular country, or for a PCT international patent application, from the international filing date, assuming all maintenance fees are paid. In some instances, patent terms may be increased or decreased, depending on the laws and regulations of the country or jurisdiction that grants the patent. In the United States, a patent term may be shortened if a patent is terminally disclaimed over another patent or as a result of delays in patent prosecution by the patentee. A U.S. patent's term may be lengthened by a patent term adjustment, which compensates a patentee for administrative delays by the U.S. Patent and Trademark Office, or USPTO, in granting a patent. The patent term of a European patent is 20 years from its effective filing date, which, unlike in the United States, is not subject to patent term adjustments in the same way as U.S. patents.

The level of protection afforded by a patent may vary and depends upon many factors, including the type of patent, the scope of its claim coverage, claim interpretation and patent law in the country or region that granted the

patent, the validity and enforceability of the patent under such laws, and the availability of legal remedies in each particular country.

In certain regions or countries, regulatory-related patent extensions may be available to extend the term of a patent that claims an approved product or method. Regulatory-based patent term extensions allow patentee to recapture a portion of patent term effectively lost as a result of the regulatory review period for a product candidate. The term of a U.S. patent that covers an FDA-approved drug or biologic, for example, may be eligible for patent term extension, which permits patent term restoration as compensation for the patent term lost during the FDA regulatory review process. The Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Act, permits a patent term extension of up to five years beyond the expiration of the patent. The length of the patent term extension is related to the length of time the drug or biologic is under regulatory review. Patent extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval and only one patent applicable to an approved drug may be extended. Similar provisions are available in Europe, Japan, China and other jurisdictions to extend the term of a patent that covers an approved drug, for example Supplementary Protection Certificates in Europe. In very few jurisdictions (such as in the U.S. and Europe), patent or regulatory exclusivities may potentially be further extended by a pediatric extension, to give an additional six months' extension, if pre-defined clinical trial data for a pediatric indication are timely submitted and accepted. In the future, if and when our products receive FDA approval, we expect to apply for regulatory patent term extensions on patents covering those products. We anticipate that some of our issued patents may be eligible for patent term extensions in certain jurisdictions based on an approved product or method, but such extensions may not be available and therefore its commercial monopoly may be restricted solely to patent term.

As of December 31, 2023, we solely owned 40 granted patents, of which 10 are U.S.-issued patents, and we owned 151 pending patent applications, of which 15 are U.S. pending patent applications and 10 are co-owned. Commercially or strategically important non-U.S. jurisdictions in which we hold issued or pending patent applications include (in addition to Europe): Australia, Brazil, Canada, Chile, China, Colombia, Hong Kong, India, Indonesia, Israel, Japan, Malasia, Mexico, New Zealand, Philippines, Russia, Singapore, South Africa, South Korea, Taiwan, Ukraine and Vietnam. As of December 31, 2023, we solely owned two and jointly owned one priority application (priority year pending), each of which are first priority applications.

Our granted patents and pending patent applications include compositions of matter claims directed to siRNA molecules and compositions. They also include claims directed to siRNA molecules having specific nucleic acid modifications and linkers as well as specific nucleic acid sequences. In addition, our pending patent applications with an effective filing date after 2003 also include claims directed to methods of use and processes relating to such siRNA molecules and compositions.

Our earliest filed patent applications directed to 19-mer blunt-ended siRNAs with particular siRNA modification patterns expire in August 2023, subject to potential extension. Our current patent application families directed to toolbox elements, if and when granted, would not be expected to expire until at least 2036. Our current patent families covering siRNA sequences directed to specific target genes and associated uses for our SLN360, SLN124 and SLN501 product candidates, if and when granted, would not be expected to expire until at least 2038.

Government Regulation and Product Approval

Review and Approval of New Drug Products in the United States

In the United States, the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act, or FDCA, and its implementing regulations. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local and non-U.S. statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the drug development process, approval process or after approval, may subject an applicant to a variety of administrative or judicial sanctions, such as the FDA's refusal to approve a pending NDA, withdrawal of an approval, imposition of a clinical hold, issuance of warning or untitled letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement or civil or criminal penalties.

The process required by the FDA before a drug may be marketed in the United States generally involves:

- completion of preclinical laboratory tests, animal studies and formulation studies in compliance with the FDA's good laboratory practice, or GLP, regulations;
- submission to the FDA of an IND, which must become effective before human clinical trials may begin;
- approval by an independent institutional review board, or IRB, at each clinical site before each trial may be initiated;
- performance of adequate and well-controlled clinical trials, in accordance with GCP requirements to establish the safety and efficacy of the proposed drug for each indication;
- payment of user fees;
- submission to the FDA of an NDA;
- satisfactory completion of an FDA advisory committee review, if applicable;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the product is produced to assess compliance with cGMP requirements, and to assure that the facilities, methods and controls are adequate to preserve the drug's identity, strength, quality and purity;
- satisfactory completion of an FDA inspection of selected clinical sites to assure compliance with GCPs and the integrity of the clinical data; and
- FDA review and approval of the NDA.

Preclinical Studies

Preclinical studies include laboratory evaluation of product chemistry, toxicity and formulation, as well as animal studies to assess potential pharmacology and toxicology. An IND sponsor must submit the results of the nonclinical tests, together with manufacturing information, analytical data and any available clinical data or literature, among other things, to the FDA as part of an IND. Some nonclinical testing may continue even after the IND is submitted. An IND automatically becomes effective 30 days after receipt by the FDA, unless before that time the FDA raises concerns or questions related to one or more proposed clinical trials and places the clinical trial on a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. As a result, submission of an IND may result in the FDA not allowing clinical trials to commence.

Clinical Trials

Clinical trials involve the administration of the investigational new drug to human subjects under the supervision of qualified investigators in accordance with GCP requirements, which include, among other things, the requirement that all research subjects provide their informed consent in writing for their participation in any clinical trial. Clinical trials are conducted under protocols detailing, among other things, the objectives of the trial, the parameters to be used in monitoring safety and the effectiveness criteria to be evaluated. A protocol for each clinical trial and any subsequent protocol amendments must be submitted to the FDA as part of the IND. In addition, an IRB at each institution participating in the clinical trial must review and approve the plan for any clinical trial before it commences at that institution, and the IRB must continue to oversee the clinical trial while it is being conducted.

Human clinical trials are typically conducted in three sequential phases, which may overlap or be combined. In phase 1, the drug is initially introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion and, if possible, to gain an initial indication of its effectiveness. In phase 2, the drug typically is administered to a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific

targeted diseases and to determine dosage tolerance and optimal dosage. In phase 3, the drug is administered to an expanded patient population, generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to statistically evaluate the safety and efficacy of the product for approval, to establish the overall risk-benefit profile of the product and to provide adequate information for the labeling of the product.

Progress reports detailing the results of the clinical trials must be submitted, at least annually, to the FDA, and more frequently if SAEs occur. Phase 1, phase 2 and phase 3 clinical trials might not be completed successfully within any specified period, or at all. Furthermore, the FDA or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research subjects are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements, or if the drug has been associated with unexpected serious harm to patients.

Marketing Approval

Assuming successful completion of the required clinical testing, the results of the preclinical studies and clinical trials, together with detailed information relating to the product's chemistry, manufacture, controls and proposed labeling, among other things, are submitted to the FDA as part of an NDA requesting approval to market the product for one or more indications. In most cases, the submission of an NDA is subject to a substantial application user fee. Under the Prescription Drug User Fee Act, or PDUFA, guidelines that are currently in effect, the FDA has a goal of ten months from the date of "filing" of a standard NDA for a new molecular entity to review and act on the submission. This review typically takes twelve months from the date the NDA is submitted to the FDA because the FDA has approximately two months to make a "filing" decision.

In addition, under the Pediatric Research Equity Act, certain NDAs or supplements to an NDA must contain data that are adequate to assess the safety and effectiveness of the drug for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements. Unless otherwise required by regulation, the pediatric data requirements do not apply to a product for an indication with orphan designation.

The FDA also may require submission of a risk evaluation and mitigation strategy, or REMS, to ensure that the benefits of the drug outweigh its risks. The REMS could include medication guides, physician communication plans, assessment plans, and/or elements to assure safe use, such as restricted distribution methods, patient registries or other risk minimization tools.

The FDA conducts a preliminary review of all NDAs within the first 60 days after submission, before accepting them for filing, to determine whether they are sufficiently complete to permit substantive review. The FDA may request additional information rather than accept an NDA for filing. In this event, the application must be resubmitted with the additional information. The resubmitted application is also subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review. The FDA reviews an NDA to determine, among other things, whether the drug is safe and effective and whether the facility in which it is manufactured, processed, packaged or held meets standards designed to assure the product's continued safety, quality and purity.

The FDA may refer an application for a novel drug to an advisory committee. An advisory committee is a panel of independent experts, including clinicians and other scientific experts, that reviews, evaluates and provides a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

Before approving an NDA, the FDA typically will inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and are adequate to assure consistent production of the product

within required specifications. Additionally, before approving an NDA, the FDA will typically inspect one or more clinical trial sites to assure compliance with GCP requirements.

The testing and approval process for an NDA requires substantial time, effort and financial resources, and takes several years to complete. Data obtained from preclinical and clinical testing are not always conclusive and may be susceptible to varying interpretations, which could delay, limit or prevent regulatory approval. The FDA may not grant approval of an NDA on a timely basis, or at all.

After evaluating the NDA and all related information, including the advisory committee recommendation, if any, and inspection reports regarding the manufacturing facilities and clinical trial sites, the FDA may issue an approval letter, or, in some cases, a complete response letter. A complete response letter generally contains a statement of specific conditions that must be met in order to secure final approval of the NDA and may require additional clinical or preclinical testing in order for FDA to reconsider the application. Even with submission of this additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If and when those conditions have been met to the FDA's satisfaction, the FDA will typically issue an approval letter. An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications.

Even if the FDA approves a product, it may limit the approved indications for use of the product, require that contraindications, warnings or precautions be included in the product labeling, require that post-approval studies, including phase 4 clinical trials, be conducted to further assess a drug's safety after approval, require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution and use restrictions or other risk management mechanisms under a REMS, which can materially affect the potential market and profitability of the product. The FDA may prevent or limit further marketing of a product based on the results of post-marketing studies or surveillance programs. After approval, some types of changes to the approved product, such as adding new indications, manufacturing changes, and additional labeling claims, are subject to further testing requirements and FDA review and approval.

Orphan Drug Designation

Under the Orphan Drug Act, the FDA may grant orphan drug designation to a drug intended to treat a rare disease or condition, which is a disease or condition that affects fewer than 200,000 individuals in the United States, or if it affects more than 200,000, there is no reasonable expectation that sales of the drug in the United States will be sufficient to offset the costs of developing and making the drug available in the United States. Orphan drug designation must be requested before submitting an NDA. Orphan drug designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If the FDA approves a sponsor's marketing application for a designated orphan drug for use in the rare disease or condition for which it was designated, the sponsor is eligible for a seven-year period of marketing exclusivity, during which the FDA may not approve another sponsor's marketing application for a drug with the same active moiety and intended for the same disease or condition as the approved orphan drug, except in limited circumstances, such as if a subsequent sponsor demonstrates its product is clinically superior. During a sponsor's orphan drug exclusivity period, competitors, however, may receive approval for drugs with different active moieties for the same disease or condition as the approved orphan drug, or for drugs with the same active moiety as the approved orphan drug, but for different diseases or conditions. A competitor's orphan drug exclusivity could block the approval of one of our products for seven years if the competitor obtains approval for a drug with the same active moiety intended for the same disease or condition before we do, unless we are able to demonstrate that grounds for revocation of the competitor's orphan drug designation and orphan drug exclusivity exist, or that our product is clinically superior. Further, if a designated orphan drug receives marketing approval for an indication broader than the rare disease or condition for which it received orphan drug designation, it may not be entitled to exclusivity.

Rare Pediatric Disease, or RPD, designation by FDA may enable priority review voucher, or PRV, eligibility upon U.S. market approval of a designated drug for rare pediatric diseases. The RPD-PRV program is intended to encourage development of therapies to prevent and treat rare pediatric diseases. The voucher, which is awarded upon NDA approval to the sponsor of a designated RPD, can be sold or transferred to another entity and used by the holder to receive priority review for a future NDA or BLA submission, which reduces the FDA's target review time of such

future submission from ten to six months from the date of "filing" of an NDA for a new molecular entity. However, priority review does not guarantee that the FDA will review and approve an application within six months of filing.

Post-approval Requirements

Drugs manufactured or distributed pursuant to FDA approvals are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements relating to recordkeeping, periodic reporting, product sampling and distribution, advertising and promotion and reporting of adverse experiences with the product. After approval, many changes to the approved product, such as adding new indications, manufacturing changes or certain labeling changes, are subject to further testing requirements and prior FDA review and approval. There also are continuing annual user fee requirements for any marketed products.

Even if the FDA approves a product, it may limit the approved indications for use of the product, require that contraindications, warnings or precautions be included in the product labeling, including a boxed warning, require that post-approval studies, including phase 4 clinical trials, be conducted to further assess a drug's safety after approval, require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution restrictions or other risk management mechanisms under a REMS, which can materially affect the potential market and profitability of the product. The FDA may prevent or limit further marketing of a product based on the results of post-marketing studies or surveillance programs.

In addition, drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are required to register their establishments with the FDA and state agencies, and are subject to periodic unannounced inspections by the FDA and these state agencies for compliance with cGMP requirements. Changes to the manufacturing process are strictly regulated and often require prior FDA approval before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP and impose reporting and documentation requirements upon the sponsor and any third-party manufacturers that the sponsor may decide to use. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance.

Once an approval is granted, the FDA may withdraw the approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market.

Later discovery of previously unknown problems with a product, including AEs of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in mandatory revisions to the approved labeling to add new safety or effectiveness information; imposition of post-market studies or clinical trials to assess safety risks; or imposition of distribution or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market or product recalls;
- fines, untitled letters, warning letters or holds on post-approval clinical trials;
- refusal of the FDA to approve pending NDAs or supplements to approved NDAs, or suspension or revocation of product approvals;
- product seizure or detention, or refusal to permit the import or export of products; or
- injunctions or the imposition of civil or criminal penalties.

The FDA strictly regulates marketing, labeling, advertising and promotion of products that are placed on the market. Drugs may be promoted only for the approved indications and in accordance with the provisions of the approved label, although physicians, in the practice of medicine, may prescribe approved drugs for unapproved indications. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of

off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability.

In addition, the distribution of prescription pharmaceutical products is subject to the Prescription Drug Marketing Act, or PDMA, which regulates the distribution of drugs and drug samples at the federal level, and sets minimum standards for the registration and regulation of drug distributors by the states. Both the PDMA and state laws limit the distribution of prescription pharmaceutical product samples and impose requirements to ensure accountability in distribution.

Federal and State Fraud and Abuse, Data Privacy and Security, and Transparency Laws and Regulations and Foreign Equivalents

In addition to FDA restrictions on marketing of pharmaceutical products, federal and state healthcare laws and regulations restrict business practices in the biopharmaceutical industry. These laws may impact, among other things, our current and future business operations, including our clinical research activities, and proposed sales, marketing and education programs and constrain the business or financial arrangements and relationships with healthcare providers and other parties through which we market, sell and distribute our products for which we obtain marketing approval. These laws include anti-kickback and false claims laws and regulations, data privacy and security, and transparency laws and regulations, including, without limitation, those laws described below.

The federal Anti-Kickback Statute prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving remuneration to induce or in return for purchasing, leasing, ordering or arranging for or recommending the purchase, lease or order of any item or service reimbursable under Medicare, Medicaid or other federal healthcare programs. The term "remuneration" has been broadly interpreted to include anything of value. The Anti-Kickback Statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on the one hand and prescribers, purchasers and formulary managers on the other. Although there are a number of statutory exemptions and regulatory safe harbors protecting some common activities from prosecution, the exemptions and safe harbors are drawn narrowly. Practices that involve remuneration that may be alleged to be intended to induce prescribing, purchases or recommendations may be subject to scrutiny if they do not qualify for an exemption or safe harbor. Several courts have interpreted the statute's intent requirement to mean that if any one purpose of an arrangement involving remuneration is to induce referrals of federal healthcare covered business, the statute has been violated.

A person or entity does not need to have actual knowledge of this statute or specific intent to violate it in order to have committed a violation. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal civil False Claims Act or the civil monetary penalties statute, which imposes penalties against any person who is determined to have presented or caused to be presented a claim to a federal health program that the person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent.

Federal false claims laws, including the federal civil False Claims Act, prohibits any person or entity from knowingly presenting, or causing to be presented, a false claim for payment to the federal government or knowingly making, using or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government. A claim includes "any request or demand" for money or property presented to the U.S. government. Several pharmaceutical and other healthcare companies have been prosecuted under these laws for allegedly providing free product to customers with the expectation that the customers would bill federal programs for the product. Other companies have been prosecuted for causing false claims to be submitted because of the companies' marketing of products for unapproved, and thus non-reimbursable, uses.

The federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, created additional federal criminal statutes that prohibit, among other things, knowingly and willfully executing a scheme to defraud any healthcare benefit program, including private third-party payers and knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Also, many states have similar fraud and abuse statutes or regulations that apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payer.

In addition, we may be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, or HITECH, and their respective implementing regulations, imposes specified requirements on certain types of individuals and entities relating to the privacy, security and transmission of individually identifiable health information. Among other things, HITECH makes HIPAA's security standards directly applicable to "business associates," defined as independent contractors or agents of covered entities that create, receive, maintain or transmit protected health information in connection with providing a service for or on behalf of a covered entity. HITECH also increased the civil and criminal penalties that may be imposed against covered entities, business associates and possibly other persons, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. In addition, state laws govern the privacy and security of health information in certain circumstances, many of which are not preempted by HIPAA, differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

The federal Physician Payments Sunshine Act requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program, with specific exceptions, to report annually to the Centers for Medicare & Medicaid Services, or CMS, information related to payments or other transfers of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), other healthcare professionals (such as physician assistants and nurse practitioners), and teaching hospitals, and applicable manufacturers and applicable group purchasing organizations to report annually to CMS ownership and investment interests held by the physicians and their immediate family members.

We may also be subject to state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government, as well as state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures.

We may be subject to foreign equivalents of all of the above federal or state legislation. For example, outside the United States, interactions between pharmaceutical companies and health care professionals are also governed by strict laws, such as national anti-bribery laws of European countries, national sunshine rules, regulations, industry self-regulation codes of conduct and physicians' codes of professional conduct. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

Because of the breadth of these laws and the narrowness of available statutory and regulatory exemptions, it is possible that some of our business activities could be subject to challenge under one or more of such laws. If our operations are found to be in violation of any of the federal and state laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including criminal and significant civil monetary penalties, damages, fines, individual imprisonment, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, contractual damages, reputational harm, diminished profits and future earnings, disgorgement, exclusion from participation in government healthcare programs and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations. To the extent that any of our products are sold in a foreign country, we may be subject to similar foreign laws and regulations, which may include, for instance, applicable post-marketing requirements, including safety surveillance, anti-fraud and abuse laws and implementation of corporate compliance programs and reporting of payments or transfers of value to healthcare professionals.

Coverage and Reimbursement in the United States

The future commercial success of our product candidates or any of our collaborators' ability to commercialize any approved product candidates successfully will depend in part on the extent to which governmental payer programs at the federal and state levels, including Medicare and Medicaid, private health insurers and other third-party payers provide coverage for and establish adequate reimbursement levels for our product candidates. Government health administration authorities, private health insurers and other organizations generally decide which drugs they will pay for and establish reimbursement levels for healthcare. In particular, in the United States, private health insurers and

other third-party payers often provide reimbursement for products and services based on the level at which the government, through the Medicare or Medicaid programs, provides reimbursement for such treatments. In the United States, the European Union, and other potentially significant markets for our product candidates, government authorities and third-party payers are increasingly attempting to limit or regulate the price of medical products and services, particularly for new and innovative products and therapies, which often has resulted in average selling prices lower than they would otherwise be. Further, the increased emphasis on managed healthcare in the United States will put additional pressure on product pricing, reimbursement and usage, which may adversely affect our future product sales and results of operations. These pressures can arise from rules and practices of managed care groups, judicial decisions and laws and regulations related to Medicare, Medicaid and healthcare reform, pharmaceutical coverage and reimbursement policies and pricing in general.

Third-party payers are increasingly imposing additional requirements and restrictions on coverage and limiting reimbursement levels for medical products. For example, federal and state governments reimburse covered prescription drugs at varying rates generally below average wholesale price. These restrictions and limitations influence the purchase of healthcare services and products. Third-party payers may limit coverage to specific drug products on an approved list, or formulary, which might not include all of the FDA-approved drug products for a particular indication. Third-party payers are increasingly challenging the price and examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy. We may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of our products, in addition to the costs required to obtain the FDA approvals. Our product candidates may not be considered medically necessary or cost-effective. A payer's decision to provide coverage for a drug product does not imply that an adequate reimbursement rate will be approved. Further, one payer's determination to provide coverage for a drug product does not assure that other payers will also provide coverage for the drug product. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in drug development. Legislative proposals to reform healthcare or reduce costs under government insurance programs may result in lower reimbursement for our products and product candidates or exclusion of our product candidates from coverage. The cost containment measures that healthcare payers and providers are instituting and any healthcare reform could significantly reduce our revenues from the sale of any approved product candidates. We cannot provide any assurances that we will be able to obtain and maintain third-party coverage or adequate reimbursement for our product candidates in whole or in part.

There have been several U.S. government initiatives over the past several years to fund and incentivize certain comparative effectiveness research, including creation of the Patient-Centered Outcomes Research Institute under the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively the PPACA. It is also possible that comparative effectiveness research demonstrating benefits in a competitor's product could adversely affect the sales of our product candidates. If third-party payers do not consider our product candidates to be cost-effective compared to other available therapies, they may not cover our product candidates, once approved, as a benefit under their plans or, if they do, the level of payment may not be sufficient to allow us to sell our product on a profitable basis.

In addition, there has been increasing legislative and enforcement interest in the United States with respect to specialty drug pricing practices. Specifically, there have been several recent U.S. Congressional inquiries and proposed federal and proposed and enacted state legislation designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. These and other healthcare reform initiatives may result in additional reductions in Medicare and other healthcare funding. On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into law, which eliminates the statutory Medicaid drug rebate price cap, currently set at 100% of a drug's average manufacturer price for single source and innovator multiple source products, beginning on January 1, 2024. Further, in July 2021, the Biden Administration released an executive order that included multiple provisions aimed at prescription drugs. In response to Biden's executive order, on September 9, 2021, U.S. Department of Health & Human Services, or HHS, released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug price reform. The plan sets out a variety of potential legislative policies that Congress could pursue as well as potential administrative actions by HHS. In addition, on August 16, 2022, President Biden signed the Inflation Reduction Act of 2022, or the IRA, into law, which among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in PPACA marketplaces through plan year 2025. The IRA also eliminates the "donut hole" under the Medicare Part D program beginning in 2025 by significantly lowering the

beneficiary maximum out-of-pocket cost and creating a new manufacturer discount program. Additionally, the IRA, among other things, (i) directs HHS to negotiate the price of certain high-expenditure, single-source drugs and biologics covered under Medicare, and subject drug manufacturers to civil monetary penalties and a potential excise tax by offering a price that is not equal to or less than the negotiated "maximum fair price" under the law, and (ii) imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation. The IRA permits HHS to implement many of these provisions through guidance, as opposed to regulation, for the initial years. These provisions take effect progressively starting in fiscal year 2023. On August 29, 2023, HHS announced the list of the first ten drugs that will be subject to price negotiations, although the Medicare drug price negotiation program is currently subject to legal challenges. It is currently unclear how the IRA will be effectuated but it is likely to have a significant impact on the pharmaceutical industry. In response to the Biden administration's October 2022 executive order, on February 14, 2023, HHS released a report outlining three new models for testing by the CMS Innovation Center which will be evaluated on their ability to lower the cost of drugs, promote accessibility, and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future. Further, on December 7, 2023, the Biden administration announced an initiative to control the price of prescription drugs through the use of march-in rights under the Bayh-Dole Act. On December 8, 2023, the National Institute of Standards and Technology published for comment a Draft Interagency Guidance Framework for Considering the Exercise of March-In Rights which for the first time includes the price of a product as one factor an agency can use when deciding to exercise march-in rights. While march-in rights have not previously been exercised, it is uncertain if that will continue under the new framework. Individual states in the United States also have increasingly passed legislation and implemented regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. For example, on January 5, 2024, the FDA approved Florida's Section 804 Importation Program, or SIP, proposal to import certain drugs from Canada for specific state healthcare programs. It is unclear how this program will be implemented, including which drugs will be chosen, and whether it will be subject to legal challenges in the United States or Canada. Other states have also submitted SIP proposals that are pending review by the FDA. Any such approved importation plans, when implemented, may result in lower drug prices for products covered by those programs.

Foreign Corrupt Practices Act, the Bribery Act and Other Laws

The Foreign Corrupt Practices Act, or FCPA, prohibits any U.S. individual or business from paying, offering, or authorizing payment or offering of anything of value, directly or indirectly, to any foreign official, political party or candidate for the purpose of influencing any act or decision of the foreign entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the United States to comply with accounting provisions requiring the company to maintain books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations. Activities that violate the FCPA, even if they occur wholly outside the United States, can result in criminal and civil fines, imprisonment, disgorgement, oversight, and debarment from government contracts.

Our operations are also subject to non-U.S. anti-corruption laws such as the Bribery Act. As with the FCPA, these laws generally prohibit us and our employees and intermediaries from authorizing, promising, offering, or providing, directly or indirectly, improper or prohibited payments, or anything else of value, to government officials or other persons to obtain or retain business or gain some other business advantage. Under the Bribery Act, we may also be liable for failing to prevent a person associated with us from committing a bribery offense.

We are also subject to other laws and regulations governing our international operations, including regulations administered by the governments of the United Kingdom and the United States and authorities in the European Union, including applicable export control regulations, economic sanctions and embargoes on certain countries and persons, anti-money laundering laws, import and customs requirements and currency exchange regulations, collectively referred to as trade control laws.

Failure to comply with the Bribery Act, the FCPA and other anti-corruption laws and trade control laws could subject us to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses.

Review and Approval of New Drug Products in the European Union

In the European Union, medicinal products are subject to extensive pre- and post-market regulation by regulatory authorities at both the European Union and national levels. An evolving global regulatory view on the classification of RNA therapies could impact the requirements applied to our siRNA compounds. Additionally, there may be local legislation in various EU Member States, which may be more restrictive than the EU legislation, and we would need to comply with such legislation to the extent it applies.

Clinical Trials

Clinical trials of medicinal products in the European Union must be conducted in accordance with EU and national regulations and the International Conference on Harmonization, or ICH, guidelines on GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki. Medicines used in clinical trials must be manufactured in accordance with the guidelines on cGMP and in a GMP licensed facility, which can be subject to GMP inspections. The sponsor of clinical trials must take out a clinical trial insurance policy, and in most EU countries, the sponsor is liable to provide “no fault” compensation to any study subject injured in the clinical trial.

In the EU, clinical trials are governed by the Clinical Trials Regulation (EU) No 536/2014, or CTR, which entered into application on January 31, 2022 repealing and replacing the Clinical Trials Directive 2001/20/EC, or CTD. The CTR is intended to harmonize and streamline clinical trial authorizations, simplify adverse-event reporting procedures, improve the supervision of clinical trials and increase transparency. Specifically, the Regulation, which is directly applicable in all EU Member States, introduces a streamlined application procedure through a single-entry point, the "EU portal", the Clinical Trials Information System, or CTIS; a single set of documents to be prepared and submitted for the application; as well as simplified reporting procedures for clinical trial sponsors. A harmonized procedure for the assessment of applications for clinical trials has been introduced and is divided into two parts. Part I assessment is led by the competent authorities of a reference Member State selected by the trial sponsor and relates to clinical trial aspects that are considered to be scientifically harmonized across EU Member States. This assessment is then submitted to the competent authorities of all concerned Member States in which the trial is to be conducted for their review. Part II is assessed separately by the competent authorities and Ethics Committees in each concerned EU Member State. Individual EU Member States retain the power to authorize the conduct of clinical trials on their territory.

The extent to which on-going clinical trials will be governed by the CTR will depend on the duration of the individual clinical trial. For clinical trials in relation to which an application for approval was made on the basis of the CTD before January 31, 2023, the CTD will continue to apply on a transitional basis until January 31, 2025. By that date, all ongoing trials will become subject to the provisions of the CTR. The CTR will apply to clinical trials from an earlier date if the related clinical trial application was made on the basis of the CTR or if the clinical trial has already transitioned to the CTR framework before January 31, 2025.

During the development of a medicinal product, the EU and national medicines regulators within the European Union provide the opportunity for dialogue and guidance on the development program. At the EU level, developers of medicinal products can ask the EMA for scientific advice and protocol assistance at any stage of development and regardless of whether the medicinal product is eligible for the centralized authorization procedure or not. Assistance is given by the EMA’s Committee for Medicinal Products for Human Use, or CHMP, on the recommendation of the Scientific Advice Working Party. A fee is incurred with each scientific advice procedure, but this can be waived for orphan medicinal products. Advice from the EMA is provided based on questions concerning, quality aspects (manufacturing, chemical, pharmaceutical and biological testing of the medicine), nonclinical testing (toxicological and pharmacological tests designed to show the activity of the medicine in the laboratory) and clinical aspects (appropriateness of studies in patients or healthy volunteers, selection of endpoints), methodological issues (statistical tests to use, data analysis, modelling and simulation), overall development strategy (conditional marketing authorization, bridging strategy for generics, safety database), significant benefit for maintaining orphan designation, and pediatric developments. To the extent that we do obtain such scientific advice in the future, while the company is expected to respect the outcome of the scientific advice procedure, such advice is not legally binding.

Marketing Authorizations

In the EU, medicinal products can only be commercialized after a related marketing authorization, or MA, has been granted. To obtain an MA for a product in the EU, an applicant must submit a Marketing Authorization Application, or MAA, either under a centralized procedure administered by the European Medicines Agency, or EMA, or one of the procedures administered by the competent authorities of EU Member States (decentralized procedure, national procedure or mutual recognition procedure). An MA may be granted only to an applicant established in the EU.

The centralized procedure provides for the grant of a single MA by the European Commission that is valid throughout the EEA (which is comprised of the 27 EU Member States plus Norway, Iceland and Liechtenstein). Pursuant to Regulation (EC) No 726/2004, the centralized procedure is compulsory for specific products, including for (i) medicinal products derived from biotechnological processes, (ii) products designated as orphan medicinal products, (iii) advanced therapy medicinal products, or ATMPs, and (iv) products with a new active substance indicated for the treatment of HIV/AIDS, cancer, neurodegenerative diseases, diabetes, auto-immune and other immune dysfunctions and viral diseases. For products with a new active substance indicated for the treatment of other diseases and products that are highly innovative or for which a centralized process is in the interest of patients, authorization through the centralized procedure is optional on related approval.

Under the centralized procedure, the EMA's Committee for Medicinal Products for Human Use, or CHMP, conducts the initial assessment of a product. The CHMP is also responsible for several post-authorization and maintenance activities, such as the assessment of modifications or extensions to an existing MA. The maximum timeframe for the evaluation of an MAA under the centralized procedure is 210 days, excluding clock stops when additional information or written or oral explanation is to be provided by the applicant in response to questions of the CHMP. Accelerated assessment may be granted by the CHMP in exceptional cases, when a medicinal product targeting an unmet medical need is expected to be of major interest from the point of view of public health and, in particular, from the viewpoint of therapeutic innovation. If the CHMP accepts a request for accelerated assessment, the time limit of 210 days will be reduced to 150 days (excluding clock stops). The CHMP can, however, revert to the standard time limit for the centralized procedure if it considers that it is no longer appropriate to conduct an accelerated assessment.

Unlike the centralized authorization procedure, the decentralized MA procedure requires a separate application to, and leads to separate approval by, the competent authorities of each EU Member State in which the product is to be marketed. This application is identical to the application that would be submitted to the EMA for authorization through the centralized procedure. The reference EU Member State prepares a draft assessment and drafts of the related materials within 120 days after receipt of a valid application. The resulting assessment report is submitted to the concerned EU Member States who, within 90 days of receipt, must decide whether to approve the assessment report and related materials. If a concerned EU Member State cannot approve the assessment report and related materials due to concerns relating to a potential serious risk to public health, disputed elements may be referred to the Heads of Medicines Agencies' Coordination Group for Mutual Recognition and Decentralised Procedures – Human, or CMDh, for review. The subsequent decision of the European Commission is binding on all EU Member States.

The mutual recognition procedure allows companies that have a medicinal product already authorized in one EU Member State to apply for this authorization to be recognized by the competent authorities in other EU Member States. Like the decentralized procedure, the mutual recognition procedure is based on the acceptance by the competent authorities of the EU Member States of the MA of a medicinal product by the competent authorities of other EU Member States. The holder of a national MA may submit an application to the competent authority of an EU Member State requesting that this authority recognize the MA delivered by the competent authority of another EU Member State.

An MA has, in principle, an initial validity of five years. The MA may be renewed after five years on the basis of a re-evaluation of the risk-benefit balance by the EMA or by the competent authority of the EU Member State in which the original MA was granted. To support the application, the MA holder must provide the EMA or the competent authority with a consolidated version of the Common Technical Document providing up-to-date data concerning the quality, safety and efficacy of the product, including all variations introduced since the MA was granted, at least nine months before the MA ceases to be valid. The European Commission or the competent authorities of the EU Member

States may decide on justified grounds relating to pharmacovigilance, to proceed with one further five year renewal period for the MA. Once subsequently definitively renewed, the MA shall be valid for an unlimited period. Any authorization which is not followed by the actual placing of the medicinal product on the EU market (for a centralized MA) or on the market of the authorizing EU Member State within three years after authorization ceases to be valid (the so-called sunset clause).

Innovative products that target an unmet medical need and are expected to be of major public health interest may be eligible for a number of expedited development and review programs, such as the Priority Medicines, or PRIME, scheme, which provides incentives similar to the breakthrough therapy designation in the U.S. PRIME is a voluntary scheme aimed at enhancing the EMA's support for the development of medicinal products that target unmet medical needs. Eligible products must target conditions for which there is an unmet medical need (there is no satisfactory method of diagnosis, prevention or treatment in the EU or, if there is, the new medicinal product will bring a major therapeutic advantage) and they must demonstrate the potential to address the unmet medical need by introducing new methods of therapy or improving existing ones. Benefits accrue to sponsors of product candidates with PRIME designation, including but not limited to, early and proactive regulatory dialogue with the EMA, frequent discussions on clinical trial designs and other development program elements, and potentially accelerated MAA assessment once a dossier has been submitted.

In the EU, a "conditional" MA may be granted in cases where all the required safety and efficacy data are not yet available. The European Commission may grant a conditional MA for a medicinal product if it is demonstrated that all of the following criteria are met: (i) the benefit-risk balance of the medicinal product is positive; (ii) it is likely that the applicant will be able to provide comprehensive data post-authorization; (iii) the medicinal product fulfils an unmet medical need; and (iv) the benefit of the immediate availability to patients of the medicinal product is greater than the risk inherent in the fact that additional data are still required. The conditional MA is subject to conditions to be fulfilled for generating the missing data or ensuring increased safety measures. It is valid for one year and must be renewed annually until all related conditions have been fulfilled. Once any pending studies are provided, the conditional MA can be converted into a traditional MA. However, if the conditions are not fulfilled within the timeframe set by the EMA and approved by the European Commission, the MA will cease to be renewed.

An MA may also be granted "under exceptional circumstances" where the applicant can show that it is unable to provide comprehensive data on efficacy and safety under normal conditions of use even after the product has been authorized and subject to specific procedures being introduced. These circumstances may arise in particular when the intended indications are very rare and, in the state of scientific knowledge at that time, it is not possible to provide comprehensive information, or when generating data may be contrary to generally accepted ethical principles. Like a conditional MA, an MA granted in exceptional circumstances is reserved to medicinal products intended to be authorized for treatment of rare diseases or unmet medical needs for which the applicant does not hold a complete data set that is required for the grant of a standard MA. However, unlike the conditional MA, an applicant for authorization in exceptional circumstances is not subsequently required to provide the missing data. Although the MA "under exceptional circumstances" is granted definitively, the risk-benefit balance of the medicinal product is reviewed annually, and the MA will be withdrawn if the risk-benefit ratio is no longer favorable.

Data Exclusivity

The EU provides opportunities for data and market exclusivity related to MAs. Upon receiving an MA, innovative medicinal productsare generally entitledto receive eight years of data exclusivity and 10 years of market exclusivity. Data exclusivity, if granted, preventsregulatory authorities in the EU from referencing the innovator's data to assess a genericapplication or biosimilar application for eight years from the date of authorization of the innovative product, after which a generic or biosimilar MAA can be submitted, and the innovator's data may be referenced. The market exclusivity period prevents a successful generic or biosimilar applicant from commercializing its productin the EU until 10 yearshave elapsed from the initialMA of the reference product in the EU. The overall ten-yearperiod may, occasionally, be extended for a furtheryear to a maximum of 11 years if, during the first eight years of those ten years, the MA holder obtains an authorization for one or more new therapeutic indications which, during the scientific evaluation prior to their authorization, are held to bring a significant clinical benefit in comparison with existing therapies.However, there is no guarantee that a product will be considered by the EU's regulatory authorities to be a new chemical/biological entity, and products may not qualify for data exclusivity.

There is a special regime for biosimilars, or biological medicinal products that are similar to a reference medicinal product but that do not meet the definition of a generic medicinal product, for example, because of differences in raw materials or manufacturing processes. For such products, the results of appropriate preclinical or clinical trials must be provided in support of the MAA, and guidelines from the EMA detail the type of quantity of supplementary data to be provided for different types of biological product. There are no such guidelines for complex biological products, such as gene or cell therapy medicinal products, and so it is unlikely that biosimilars of those products will currently be approved in the European Union. However, guidance from the EMA states that they will be considered in the future in light of the scientific knowledge and regulatory experience gained at the time.

Pediatric Development

In the EU, Regulation (EC) No 1901/2006 provides that all MAAs for new medicinal products have to include the results of trials conducted in the pediatric population, in compliance with a pediatric investigation plan, or PIP, agreed with the EMA's Pediatric Committee,or PDCO. The PIP sets out the timing and measures proposed to generate data to support a pediatric indication of the medicinal product for which MA is being sought. The PDCO can grant a deferral of the obligation to implement some or all of the measures provided in the PIP until there are sufficient data to demonstrate the efficacy and safety of the product in adults. Further,the obligation to provide pediatric clinical trial data can be waived by the PDCO when these data are not needed or appropriate because the product is likely to be ineffective or unsafe in children, the disease or condition for which the product is intended occurs only in adult populations, or when the product does not represent a significant therapeutic benefit over existing treatments for pediatric patients.Once the MA is obtained in all EU Member States and study results are included in the product information, even when negative, the product is eligible for a six-month extension to the Supplementary Protection Certificate, or SPC, if any is in effect at the time of authorization or, in the case of orphan medicinal products,a two-year extension of orphan market exclusivity.

Orphan Designation

In the EU, Regulation (EC) No. 141/2000, as implemented by Regulation (EC) No. 847/2000 provides that a medicinal product can be designated as an orphan medicinal product by the European Commission if its sponsor can establish that: (i) the product is intended for the diagnosis, prevention or treatment of life-threatening or chronically debilitating conditions; (ii) either (a) such conditions affect not more than 5 in 10,000 persons in the EU when the application is made, or (b) the product without the benefits derived from orphan status, would not generate sufficient return in the EU to justify the necessary investment in developing the medicinal product; and (iii) there exists no satisfactory authorized method of diagnosis, prevention, or treatment of the condition that has been authorized in the EU, or even if such method exists, the product will be of significant benefit to those affected by that condition.

Regulation (EC) No 847/2000 sets out further provisions for implementation of the criteria for designation of a medicinal product as an orphan medicinal product. An application for the designation of a medicinal product as an orphan medicinal product must be submitted at any stage of development of the medicinal product but before filing of an MAA. An MA for an orphan medicinal product may only include indications designated as orphan. For non-orphan indications treated with the same active pharmaceutical ingredient, a separate marketing authorization has to be sought.

Orphan medicinal product designation entitles an applicant to incentives such fee reductions or fee waivers, protocol assistance, and access to the centralized marketing authorization procedure. Upon grant of a marketing authorization, orphan medicinal products are entitled to a ten-year period of market exclusivity for the approved therapeutic indication, which means that the EMA cannot accept another marketing authorization application or accept an application to extend for a similar product and the European Commission cannot grant a marketing authorization for the same indication for a period of ten years. The period of market exclusivity is extended by two years for orphan medicinal products that have also complied with an agreed PIP. No extension to any supplementary protection certificate can be granted on the basis of pediatric studies for orphan indications. Orphan medicinal product designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

The period of market exclusivity may, however, be reduced to six years if, at the end of the fifth year, it is established that the product no longer meets the criteria on the basis of which it received orphan medicinal product destination, including where it can be demonstrated on the basis of available evidence that the original orphan

medicinal product is sufficiently profitable not to justify maintenance of market exclusivity or where the prevalence of the condition has increased above the threshold. Additionally, an MA may be granted to a similar medicinal product with the same orphan indication during the 10 year period if: (i) if the applicant consents to a second original orphan medicinal product application, (ii) if the manufacturer of the original orphan medicinal product is unable to supply sufficient quantities; or (iii) if the second applicant can establish that its product, although similar, is safer, more effective or otherwise clinically superior to the original orphan medicinal product. A company may voluntarily remove a product from the register of orphan products.

Post-Approval Controls

Where an MA is granted in relation to a medicinal product in the EU, the holder of the MA is required to comply with a range of regulatory requirements applicable to the manufacturing, marketing, promotion and sale of medicinal products. Similar to the United States,both MA holders and manufacturers of medicinal products are subject to comprehensive regulatory oversight by the EMA, the European Commission and/or the competent regulatory authorities of the individual EU Member States. The holder of an MA must establish and maintain a pharmacovigilance system and appoint an individual qualified person for pharmacovigilance who is responsible for oversight of that system.Key obligations include expedited reporting of suspected serious adverse reactions and submission of periodic safety update reports,or PSURs.

All new MAAs must include a risk management plan, or RMP, describing the risk management system that the company will put in place and documenting measures to prevent or minimize the risks associated with the product. The regulatory authorities may also impose specific obligations as a condition of the MA. Such risk- minimization measures or post-authorization obligations may include additional safety monitoring, more frequent submission of PSURs, or the conduct of additional clinical trials or post-authorization safety studies.

In the EU, the advertising and promotion of medicinal products are subject to both EU and EU Member States'laws governing promotion of medicinal products, interactions with physicians and other healthcare professionals, misleading and comparative advertising and unfair commercial practices. General requirements for advertising and promotion of medicinal products, such as direct-to-consumer advertising of prescription medicinal products are established in EU law. However, the details are governed by regulations in individual EU Member States and can differ from one country to another. For example, applicable laws require that promotional materials and advertising in relation to medicinal products comply with the product's Summary of Product Characteristics, or SmPC, which may require approval by the competent national authorities in connection with an MA. The SmPC is the document that provides information to physicians concerning the safe and effective use of the product. Promotional activity that does not comply with the SmPC is considered off-label and is prohibited in the EU.

Pricing and Reimbursement in the European Union

Governments influence the price of medicinal products in the European Union through their pricing and reimbursement rules and control of national healthcare systems that fund a large part of the cost of those products to consumers. Some jurisdictions operate positive and negative list systems under which products may only be marketed once a reimbursement price has been agreed. To obtain reimbursement or pricing approval, some of these countries may require the completion of clinical trials that compare the cost-effectiveness of a particular product candidate to currently available therapies. This Health Technology Assessment, or HTA, process is the procedure according to which the assessment of the public health impact, therapeutic impact and the economic and societal impact of use of a given medicinal product in the national healthcare systems of the individual country is conducted. The outcome of HTA regarding specific medicinal products will often influence the pricing and reimbursement status granted to these medicinal products by the competent authorities of individual EU Member States. In December 2021, Regulation No 2021/2282 on Health Technology Assessment, or HTA Regulation, was adopted. The HTA Regulation is intended to boost cooperation among EU Member States in assessing health technologies, including new medicinal products, and providing the basis for cooperation at EU level for joint clinical assessments in these areas. When it enters into application in 2025, the HTA Regulation will be intended to harmonize the clinical benefit assessment of HTA across the European Union. Other EU Member States allow companies to fix their own prices for medicines, but monitor and control company profits. The downward pressure on healthcare costs in general, particularly prescription medicines, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products.

Brexit and the Regulatory Framework in the United Kingdom

The United Kingdom's, or UK, withdrawal from the EU on January 31, 2020, commonly referred to as Brexit, has changed the regulatory relationship between the UK and the EU. The Medicines and Healthcare products Regulatory Agency, or MHRA, is now the UK's standalone regulator for medicinal products and medical devices. Great Britain (England, Scotland and Wales) is now a third country to the EU. Northern Ireland will, with regard to EU regulations, continue to follow the EU regulatory rules for now.

The UK regulatory framework in relation to clinical trials is governed by the Medicines for Human Use (Clinical Trials) Regulations 2004, as amended, which is derived from the CTD, as implemented into UK national law through secondary legislation. On January 17, 2022, the MHRA launched an eight-week consultation on reframing the UK legislation for clinical trials, and which aimed to streamline clinical trials approvals, enable innovation, enhance clinical trials transparency, enable greater risk proportionality, and promote patient and public involvement in clinical trials.The UK Government published its response to the consultation on March 21, 2023 confirming that it would bring forward changes to the legislation. These resulting legislative amendments will determine how closely the UK regulations will align with the CTR. In October 2023, the MHRA announced a new Notification Scheme for clinical trials which enables a more streamlined and risk-proportionate approach to initial clinical trial applications for Phase 4 and low-risk Phase 3 clinical trial applications.

Marketing authorizations in the UK are governed by the Human Medicines Regulations (SI 2012/1916), as amended. Since January 1, 2021, an applicant for the EU centralized procedure marketing authorization can no longer be established in the UK. As a result, since this date, companies established in the UK cannot use the EU centralized procedure and instead must follow one of the UK national authorization procedures or one of the remaining post-Brexit international cooperation procedures to obtain a marketing authorization to market products in the UK. All existing EU marketing authorizations for centrally authorized products were automatically converted or grandfathered into UK marketing authorization, effective in Great Britain only, free of charge on January 1, 2021, unless the marketing authorization holder opted-out of this possibility. Northern Ireland currently remains within the scope of EU authorizations in relation to centrally authorized medicinal products. Accordingly, until the Windsor Framework is implemented in Northern Ireland on January 1, 2025, products falling within the scope of the EU centralized procedure can only be authorized through UK national authorization procedures in Great Britain.

The MHRA has also introduced changes to national marketing authorization procedures. This includes introduction of procedures to prioritize access to new medicines that will benefit patients, including a 150-day assessment route, a rolling review procedure and the International Recognition Procedure. Since January 1, 2024, the MHRA may rely on the International Recognition Procedure, or IRP, when reviewing certain types of marketing authorization applications. This procedure is available for applicants for marketing authorization who have already received an authorization for the same product from a reference regulator. These include the FDA, the EMA, and national competent authorities of individual EEA countries. A positive opinion from the EMA and CHMP, or a positive end of procedure outcome from the mutual recognition or decentralized procedures are considered to be authorizations for the purposes of the IRP.

There is no pre-marketing authorization orphan designation for medicinal products in the UK. Instead, the MHRA reviews applications for orphan designation in parallel to the corresponding marketing authorization application. The criteria are essentially the same as those in the EU, but have been tailored for the market. This includes the criterion that prevalence of the condition in Great Britain, rather than the EU, must not be more than five in 10,000. Upon the grant of a marketing authorization with orphan status, the medicinal product will benefit from up to 10 years of market exclusivity from similar products in the approved orphan indication. The start of this market exclusivity period will be set from the date of first approval of the product in Great Britain.

C. Organizational Structure.

A full list of our subsidiaries and the address of their registered offices as of December 31, 2023 is set forth below.

Name	Place of incorporation and operation	Registered Address	Principal technology area	Proportion of ownership interest
Silence Therapeutics GmbH	Germany	Robert-Rössle-Strasse 10, 13125 Berlin, Germany	RNA therapeutics	100 %
Silence Therapeutics (London) Ltd	England	27 Eastcastle Street, London W1W 8DH, England	Dormant	100 %
Innopeg Ltd	England	27 Eastcastle Street, London W1W 8DH, England	Dormant	100 %
Silence Therapeutics Inc.	USA	c/o Harvard Business Services Inc, 16192 Coastal Highway, Lewes, Delaware 19958, USA	RNA therapeutics	100 %

D. Property, Plants and Equipment.

We lease approximately 4,000 sq ft of office space in London, England for our corporate headquarters and other general and administrative functions under a lease with a term through September 2025. We also lease regional offices and laboratory space in Berlin, Germany (two leases: rolling contract basis with either party being able to end the lease upon 11.5 months' prior notice) and Hoboken, New Jersey, USA (seven leases: current lease end dates of February 2024, April 2024, August 2024, October 2024, with either party being able to end the lease upon three months' prior notice).

We believe that our current facilities are adequate to meet our needs for the near future and that suitable additional or alternative space will be available on commercially reasonable terms to accommodate our foreseeable future operations.

Environmental Issues

For information on environmental issues that may affect our utilization of our facilities, see "Item 3.D. Risk Factors —— Risks Related to Our Business Operations and Compliance with Government Regulations —— If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business."

ITEM 4A: UNRESOLVED STAFF COMMENTS

None.

ITEM 5: OPERATING AND FINANCIAL REVIEW AND PROSPECTS

A. OPERATING RESULTS

You should read the following discussion and analysis of financial condition and operating results and our consolidated financial statements and the related notes to those financial statements included elsewhere in this Annual Report, which have been prepared in accordance with IFRS, as issued by the IASB.

The statements in this discussion with respect to our plans and strategy for our business, including expectations regarding our future liquidity and capital resources and other non-historical statements, are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including the risks and uncertainties described in the section of this Annual Report titled "Risk Factors." Our actual results may differ materially from those contained in or implied by any forward-looking statements.

Overview

Silence Therapeutics plc ("we", "us", "our", "the Company" or "Silence") is a biotechnology company focused on discovering and developing novel molecules incorporating short interfering ribonucleic acid, or siRNA, to inhibit the expression of specific target genes thought to play a role in the pathology of diseases with significant unmet medical need. Our siRNA molecules are designed to harness the body's natural mechanism of RNA interference, or RNAi, by specifically binding to and degrading messenger RNA, or mRNA, molecules that encode specific targeted disease-associated proteins in a cell. By degrading the message that encodes the disease-associated protein, the production of that protein is reduced, and its level of activity is lowered. In the field of RNAi therapeutics, this reduction of disease-associated protein production and activity is referred to as "gene silencing." Our proprietary mRNAi GOLD™ (**G**alNAc **Ol**igonucleotide **D**iscovery) platform consists of precision engineered product candidates designed to accurately target and 'silence' specific disease-associated genes in the liver. Using our mRNAi GOLD™ platform, we have generated siRNA product candidates both for our internal development pipeline as well as for out-licensed programs with third-party collaborators. Our wholly owned pipeline is currently focused in three therapeutic areas of high unmet need: cardiovascular disease, hematology and rare diseases.

Zerlasiran (SLN360) is our wholly owned siRNA designed to lower the body's production of apolipoprotein(a), a key component of lipoprotein(a), or Lp(a), that has been associated with an increased risk of cardiovascular events. High Lp(a) is a genetically determined cardiovascular risk factor affecting up to 20% of the world's population and is associated with a high risk of heart attack, stroke and aortic stenosis. There are currently no approved medicines that selectively lower Lp(a). In February 2022, we reported positive results from the single-ascending dose portion of the APOLLO phase 1 program evaluating zerlasiran in 32 healthy adults with high Lp(a) ≥150 nmol/L. In the single dose trial, participants in the top two zerlasiran single dose groups (300 mg and 600 mg) were observed to have experienced up to a 96% and 98% median reduction in Lp(a) levels, respectively, and median reductions of up to 71% and 81% from baseline persisted at 150 days. Further analysis showed median time-averaged Lp(a) reductions over 150 days exceeded 80% in the zerlasiran 300 mg and 600 mg dose groups. At day 365, some participants still exhibited substantial knockdown of Lp(a) to approximately 50% of baseline. Zerlasiran was well tolerated with no serious safety concerns reported. In November 2023, we reported positive topline results from the multiple dose portion of the APOLLO program in 36 adults with baseline Lp(a) levels ≥150 nmol/L and stable atherosclerotic cardiovascular disease (ASCVD). In the multiple dose trial, zerlasiran (200 mg, 300 mg and 450 mg) was administered twice subcutaneously at two different dosing intervals. Data demonstrated a significant reduction from baseline in Lp(a) of up to 99% at 90 days following injection of repeated doses. Lp(a) levels remained approximately 90% lower than baseline at 201 days (end of treatment period) at the two highest doses. A dose dependent reduction in low-density lipoprotein cholesterol (LDL cholesterol) and apolipoprotein B (ApoB) was also observed. Zerlasiran was well tolerated; no clinically important safety concerns were identified. Zerlasiran is currently being evaluated in the fully enrolled ALPACAR-360 phase 2 study in patients with Lp(a) levels 125 nmol/L at high risk of ASCVD events. We expect to report topline 36-week data in the first quarter of 2024 (primary endpoint) and topline 48-week data in the second quarter of 2024. We are currently finalizing the design of our phase 3 clinical outcomes trial. We continue to engage in global partnership discussions for future zerlasiran development and for potential future commercialization.

Divesiran (SLN124) is our wholly owned siRNA designed to inhibit *TMPRSS6* expression in the liver to raise hepcidin, a peptide hormone that is the master regulator of systemic iron balance. Divesiran has shown preclinical potential in several hematological disorders. Furthermore, divesiran has demonstrated proof of mechanism in the GEMINI phase 1 trial in healthy volunteers completed in May 2021. In the GEMINI study, divesiran was observed to

increase average hepcidin approximately four-fold and reduce serum iron by approximately 50% after a single dose with effects persisting for at least two months. Data were presented at the American Society of Hematology (ASH) 2021 Annual Meeting and published in the American Journal of Hematology in July 2023. Divesiran is currently being studied in the SANRECO phase 1/2 trial in patients with polycythemia vera (PV). Divesiran has FDA Fast Track and orphan disease designations for PV. We plan to report data from the phase 1 portion of the study in the first half of 2024.

The potential of our mRNAi GOLD™ platform has been validated through ongoing research and development collaborations with leading pharmaceutical companies, such as AstraZeneca, Mallinckrodt and Hansoh. These collaborations collectively represent up to 14 pipeline programs and approximately $5.5 billion in potential milestones plus royalties.

We believe the potential for our mRNAi GOLD™ platform to address disease-associated genes in the liver is substantial. Only around one percent of the approximately 14,000 liver expressed genes have been targeted by publicly known siRNAs. Once in the clinic, early-stage GalNAC-conjugated RNAi programs have shown a much greater likelihood of advancement from the current phase of development compared to the pharmaceutical industry average. We aim to maximize our mRNAi GOLD™ platform by advancing both our proprietary and partnered pipelines.

Executive Summary

Our results of operations for the full fiscal year ended December 31, 2023 reflect the following:

Zerlasiran for cardiovascular disease

- In January 2023, we started dosing in the ALPACAR-360 phase 2 study in subjects with high Lp(a) ≥ 125 nmol/L at high risk of ASCVD events. On May 1, 2023, we announced complete enrollment in the study.

- In November 2023, we announced positive topline results from the multiple dose portion of the APOLLO phase 1 program in ASCVD patients with high Lp(a) ≥ 150 nmol/L.

Divesiran for hematological conditions

- In January 2023, we initiated the phase 1/2 study in PV patients. We plan to report data from the phase 1 portion of the study in the first half of 2024.
- In November 2023, we announced the completion of the GEMINI II phase 1 study in non-transfusion dependent thalassemia patients.

Partnered Program Updates

- In March 2023, we reacquired exclusive worldwide rights from Mallinckrodt to two undisclosed preclinical complement targets. SLN501, the C3 targeting program in phase 1 development, remains under the original collaboration agreement.
- In May 2023, we achieved a $10.0 million research milestone payment from AstraZeneca following the nomination of the first product candidate under our collaboration focused on cardiovascular, renal, metabolic and respiratory diseases.
- In July 2023, we achieved two $2.0 million preclinical milestones in our Hansoh collaboration.

Corporate Updates

- In 2023, Giles Campion, MD, retired as our Chief Medical Officer (CMO) and Head of R&D. We appointed Steven Romano, MD, as our Head of R&D and promoted Curtis Rambaran, MD, formerly our VP, Head of Clinical Science, to CMO. We also promoted Marie Wikström Lindholm, PhD, previously our SVP, Head of Molecular Design, to Chief Scientific Officer and appointed J.P. Gabriel as our Chief Technical Operations Officer.

Post Period Highlights

- In January 2024, we raised an additional $20 million of gross proceeds before deducting $0.6 million in placement agent fees and other expenses, from sales of ADSs under our Sales Agreement.
- On February 5, 2024 we announced a private placement of 5,714,286 of our ADSs, each representing three ordinary shares, at a price of US $21.00 per ADS, with new and existing institutional and accredited investors (the "Private Placement"). The aggregate gross proceeds of the Private Placement was US $120 million (approximately £94.5 million) before deducting approximately £5.7 million in placement agent fees and other expenses. The financing syndicate included 5AM Ventures, Frazier Life Sciences, Logos Capital, Nextech Invest Ltd (on behalf of one or more funds managed by it), Redmile Group, TCGX and Vivo Capital.
- In February 2024, we achieved a $10 million milestone payment from AstraZeneca following the initiation of a phase 1 trial of the first product candidate under our collaboration.
- In March 2024, Mallinckrodt notified us that they will not pursue further development of SLN501 following the completion of the phase 1 clinical trial. This will conclude all activities and commitments under the collaboration agreement.

Collaboration Agreement with AstraZeneca

In March 2020, we entered into a collaboration agreement with AstraZeneca to discover, develop and commercialize siRNA therapeutics for the treatment of cardiovascular, renal, metabolic and respiratory diseases. Under this agreement, AstraZeneca made an upfront cash payment to us of $20.0 million in May 2020. AstraZeneca made an additional unconditional cash payment to us of $40.0 million which was received in May 2021. In March 2020, an affiliate of AstraZeneca also subscribed for 4,276,580 new ordinary shares for an aggregate subscription price of $20.0 million.

The collaboration covers five targets initially, with AstraZeneca having the option to extend the collaboration to a further five targets. AstraZeneca has agreed to pay us $10.0 million upon the exercise of each option to collaborate on an additional target. In May 2023, AstraZeneca nominated the first product candidate under our collaboration, triggering a $10 million option fee to us to advance development on an undisclosed program. For each target selected, we will be eligible to receive up to $140.0 million in potential milestone payments upon the achievement of milestones relating to the initiation of specified clinical trials, the acceptance of specified regulatory filings and the first commercial sale in specified jurisdictions. For each target selected, we will also be eligible to receive up to $250.0 million in potential commercial milestone payments, upon the achievement of specified annual net sales levels, as well as tiered royalties as a percentage of net sales ranging from the high single digits to the low double digits.

Collaboration Agreement with Mallinckrodt

In July 2019, we entered into a collaboration agreement with Mallinckrodt to develop and commercialize RNAi drug targets designed to silence the complement cascade in complement-mediated disorders. In connection with the execution of this agreement, Mallinckrodt made an upfront cash payment to us of $20.0 million (equivalent to £16.4 million as of the payment date). Under a separate subscription agreement, Cache Holdings Limited, a wholly owned subsidiary of Mallinckrodt, concurrently subscribed for 5,062,167 new ordinary shares for an aggregate subscription price of $5.0 million (equivalent to £4.0 million as of the payment date). Under the agreement, we granted Mallinckrodt an exclusive worldwide license to our C3 targeting program, SLN501, with options to license two additional undisclosed complement-mediated disease targets from us. In July 2020, Mallinckrodt exercised options on the two additional complement targets.

In March 2023, we reacquired exclusive worldwide rights from Mallinckrodt to the two undisclosed preclinical complement targets. Under the terms of the modified agreement, we did not make any upfront payment to get the two assets back and will potentially pay future success-based milestones and low single digit royalties on net sales if the projects advance. SLN501, the C3 targeting program, remained under the original collaboration agreement. In March 2024, Mallinckrodt notified us that they will not pursue further development of SLN501 following the completion of the phase 1 clinical trial. This will conclude all activities and commitments under the collaboration agreement.

Collaboration Agreement with Hansoh

On October 15, 2021, we announced a collaboration agreement with Hansoh, one of the leading biopharmaceutical companies in China, to develop siRNAs for three undisclosed targets leveraging our proprietary mRNAi GOLD™ platform. Under the terms of the agreement, we retain exclusive rights to the first two targets in all territories except the China Region (Greater China, Hong Kong, Macau and Taiwan). Hansoh has the exclusive option to license rights to those two targets in the China Region following the completion of phase 1 studies. We will be responsible for all activities up to option exercise and will retain responsibility for development outside the China region post phase 1 studies. Hansoh will also have the exclusive option to license global rights to a third target at the point of IND filing. Hansoh will be responsible for all development activities post option exercise for the third target. Hansoh made a $16 million upfront payment to us in December 2021. We achieved our first $2 million research milestone payment in the Hansoh collaboration in April 2022. In 2023, we achieved two additional preclinical milestones and received $4 million from the collaboration. We are eligible to receive up to $1.3 billion in additional development, regulatory and commercial milestones. We will also receive royalties tiered from low double-digit to mid-teens on Hansoh net product sales.

Financial Operations Overview

Revenue

We do not have any approved products. Accordingly, we have not generated any revenue from product sales, and we do not expect to generate any revenue from the sale of any products unless and until we obtain regulatory approvals for, and commercialize any of, our product candidates. In the future, we will seek to generate revenue primarily from product sales and, potentially, regional or global strategic collaborations with third parties.

Under our collaboration agreement with Mallinckrodt, we received an upfront cash payment of $20.0 million in 2019 (£16.4 million as of the payment date) and are eligible to receive specified development, regulatory and commercial milestone payments. We received a milestone payment of $2.0 million (£1.7 million as of the payment date) during the year ended December 31, 2020. In February 2021, we initiated work on the third complement target which triggered another $2 million (£1.5 million) research milestone payment. In April 2021, we also received $2 million (£1.5 million) for the second research milestone related to the first complement 3 target. During the year ended December 31, 2022 we received milestone payments totaling $3.0 million (£2.2 million). During the year ended December 31, 2023 we received no milestone payments. In addition to these potential payments, Mallinckrodt has agreed to fund some of our research personnel and preclinical development costs. We recognize the upfront payment, milestone payments, payments for personnel costs and other research funding payments over time, in accordance with IFRS 15 para 35 c). During the year ended December 31, 2023, we recognized a total of £10.5 million in revenue under this agreement.

In March 2023, the Company reacquired exclusive worldwide rights to two preclinical siRNA assets under its Mallinckrodt collaboration, which resulted in a modification of the agreement. No additional performance obligations were identified as a result of the modification as there were no additional goods or services to be provided by the Company and the modification resulted in the partially satisfied performance obligations relating to the two reacquired targets becoming fully satisfied as the Company was no longer obligated to develop these targets. SLN501, the C3 targeting program, remained under the original collaboration agreement through March 2024. The Company has accounted for the modification as if it were part of the existing contract as the remaining services to be delivered form part of a single performance obligation that is partially satisfied at the date of contract modification. The effect of the contract modification was that the consideration originally received for the two preclinical siRNA assets was reallocated to SLN501. The Company has recognized the effect of the contract modification on the measure of progress towards complete satisfaction of the SLN501 performance obligation, and recognized an adjustment to revenue at the date of the contract modification on a cumulative catch-up basis. The Company recognized £8.0 million on the contract modification date. In relation to the reacquired targets, the two preclinical siRNA assets were recognized at fair value. The fair value of those assets has been determined to be nil. Under the modification, the Company agreed to pay future success-based milestones and low single digit royalties on net sales if the projects advance. The Company will recognize these variable success-based milestones as an intangible asset at cost when triggered. Any royalties payable will be expensed in cost of sales.

Under our collaboration agreement with AstraZeneca, we received an upfront cash payment of £17.1 million ($20.0 million) and an additional payment of £30.8 million ($40.0 million) in May 2021. We are also eligible to receive specified development and commercial milestone payments as well as tiered royalties on net sales, if any. During the year ended December 31, 2023 we received milestone payments totaling $10.0 million (£7.9 million). We recognize the upfront payment and milestone payments over time, in accordance with IFRS 15 para 35 c). During the year ended December 31, 2023, we recognized a total of £13.7 million in revenue under this agreement.

We entered into a collaboration agreement with Hansoh on October 15, 2021. We received a $16 million (equivalent to approximately £11.9 million based on the exchange rate at the payment date and $14.4 million or £10.7 million, net of taxes) upfront payment to us in December 2021. We are eligible to receive up to $1.3 billion in additional development, regulatory and commercial milestones. We will also receive royalties tiered from low double-digit to mid-teens on Hansoh net product sales. During the year ended December 31, 2022, we achieved milestone payments totaling $2.0 million (£1.5 million). During the year ended December 31, 2023, we achieved milestone payments totaling $4.0 million (£3.2 million). We recognize the upfront payment and milestone payments over time, in accordance with IFRS 15 para 35 c). During the year ended December 31, 2023, we recognized a total of £0.6 million in revenue under this agreement.

In December 2018, we entered into a settlement and license agreement with Alnylam Pharmaceuticals Inc., or Alnylam, pursuant to which we settled outstanding patent litigation with Alnylam related to its RNAi product ONPATTRO. As part of the settlement, we license specified patents to Alnylam, and Alnylam pays us a tiered royalty of up to one percent of net sales of ONPATTRO in the European Union. We were eligible to receive these royalties until December 2023. We invoice Alnylam quarterly in arrears based on sales data for that quarter as reported to us by Alnylam. Royalty revenue is recognized based on the level of sales when the related sales occur. During the year ended December 31, 2023, we recognized a total of £0.6 million in royalty income from Alnylam.

Cost of sales

Cost of sales consists of research and development expenditure that is directly related to work carried out on revenue generating contracts. This includes salary costs that are apportioned based on time spent by employees working on these contracts as well as costs of materials and costs incurred under agreements with CROs.

Operating Expenses

We classify our operating expenses into two categories: research and development costs and general and administrative expenses. Personnel costs, including salaries, benefits, bonuses and share-based payment expenses, comprise a significant component of each of these expense categories. We allocate expenses associated with personnel costs based on the function performed by the respective employees.

Research and Development Costs

The largest component of our total operating expenses since inception has been costs related to our research and development activities, including the preclinical and clinical development of our product candidates. We expense research and development costs as they are incurred and classify them as contracted development, personnel and other.

Our contracted development costs primarily consists of:

- costs incurred under agreements with CROs and investigative sites that conduct our preclinical studies and clinical trials;
- costs related to manufacturing active pharmaceutical ingredients and drug products for our preclinical studies and clinical trials; and
- costs for materials used for in-house research and development activities.

Our personnel research and development expense primarily consists of:

- salaries and personnel-related costs, including bonuses, benefits, recruitment costs and any share-based payment expenses, for our personnel performing research and development activities or managing those activities that have been out-sourced; and
- consultants' costs associated with target selection, preclinical and clinical research activities, and the progression of programs towards clinical trials.

Our other research and development costs primarily consists of

- costs of related facilities, equipment and other overhead expenses that are considered directly attributable to research and development;
- costs associated with obtaining and maintaining patents for intellectual property; and
- depreciation of capital assets used for research and development activities.

The successful development of our product candidates is highly uncertain. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. Accordingly, we expect research and development costs to increase significantly for the foreseeable future as programs progress.

The duration, costs and timing of clinical trials and development of our product candidates will depend on a variety of factors, including:

- the scope, rate of progress, results and expenses of our ongoing and future clinical trials, preclinical studies and research and development activities;
- the potential need for additional clinical trials or preclinical studies requested by regulatory authorities;
- potential uncertainties in clinical trial enrollment rates or drop-out or discontinuation rates of patients;
- competition with other drug development companies in, and the related expense of, identifying and enrolling patients in our clinical trials and contracting with third-party manufacturers for the production of the drug product needed for our clinical trials;
- the achievement of milestones requiring payments under in-licensing agreements, if any;
- any significant changes in government regulation;
- the terms and timing of any regulatory approvals;
- the expense of filing, prosecuting, defending and enforcing patent claims and other intellectual property rights; and
- the ability to market, commercialize and achieve market acceptance for any of our product candidates, if they are approved.

We have not historically tracked research and development expenses on a program-by-program basis for our preclinical product candidates.

General and Administrative Expenses

General and administrative expenses consist of personnel costs, allocated expenses and other expenses for outside professional services, including legal, audit, tax and accounting services, public relations and investor relations

services. Personnel costs consist of salaries, bonuses, benefits, recruitment costs and share-based payment expenses for personnel in executive, finance, business development and other support functions. Other administrative expenses include office space-related costs not otherwise allocated to research and development costs, insurance expenses, and costs of our information systems and costs for compliance with the day-to-day requirements of being a listed public company in the United States. We anticipate that our administrative expenses will continue to increase in the future as we increase our headcount to support our continued research and development and potential commercialization of our product candidates. We also expect to continue incurring additional expenses as a public company in the United States, including expenses related to compliance with the rules and regulations of the SEC and Nasdaq, additional insurance expenses, expenses related to investor relations activities and other administrative and professional services.

Finance and Other Income (Expense)

Finance and other income primarily relates to interest earned on our cash, cash equivalents and short-term deposits, as well as accretion earned on our U.S. treasury bills. Finance and other expense primarily relates to lease liability interest expense and foreign exchange losses. Foreign exchange gains and losses relate to cash held in foreign currencies (primarily Euros).

Taxation

We are subject to corporate taxation in the United Kingdom, United States and Germany. Due to the nature of our business, we have generated losses since inception. Our income tax credit recognized represents the sum of the research and development, or R&D, tax credits recoverable in the United Kingdom. The U.K. R&D tax credit, as described below, is fully refundable to us. We have recorded the entire benefit from the U.K. R&D tax credit as a credit to "Taxation."

As a company that carries out extensive research and development activities, we currently benefit from the U.K. research and development tax credit regime for small or medium-sized enterprises, or SMEs. Under the SME regime, we are able to surrender some of the trading losses that arise from qualifying R&D activities for a cash rebate of up to 18.6% of such qualifying R&D expenditures (starting on April 1, 2023, such rebate was reduced from 33.4%). From 1 April 2021, for credit claims in excess of £20,000, the amount of payable credit that a qualifying loss-making SME business can receive through SME research and development relief in any one year will be capped at £20,000 plus three times the company's and certain connected parties' total pay-as-you-earn and National Insurance Contributions liability for that year, unless the company actively manages its intellectual property and does not outsource more than 15% of its R&D to a related party. Based on this rule, we expect the 2023 R&D tax claim to be restricted. Qualifying expenditures are net of any revenue contribution and largely comprise employment costs for research staff, materials, outsourced CRO costs and R&D consulting costs incurred as part of research projects, clinical trial and manufacturing costs, including outsourced CRO costs, employment costs for relevant staff and consumables incurred as part of research and development projects. Certain subcontracted qualifying research and development expenditures are eligible for a cash rebate of up to 14.1% (starting on April 1, 2023, such rebate was reduced from 21.7%). A large portion of costs relating to our research and development, clinical trials and manufacturing activities are eligible for inclusion within these tax credit cash rebate claims. We recognize research and development tax credits when receipt is probable.

Amendments to the U.K. R&D tax credit regime that are contained in the Finance Bill currently proceeding through the U.K. Parliament will increase the cash rebate that may be claimed from such date to 26.97% of qualifying expenditure, if we qualify as an "R&D-intensive SME" for an accounting period (broadly, a loss making SME whose qualifying R&D expenditure represents 40% (or, from April 1, 2024, 30%) or more of its total expenditure for that accounting period). These amendments will also with effect from April 1, 2024 (i) (unless limited exceptions apply) introduce restrictions on the tax relief that can be claimed for expenditure incurred on sub-contracted R&D activities or externally provided workers, where such sub-contracted activities are not carried out in the U.K. or such workers are not subject to U.K. payroll taxes, and (ii) merge the SME Program and the RDEC Program into a single scheme. If such proposals are implemented as currently provided in the Finance Bill, and we do not qualify as an R&D-intensive SME, we will either cease to be able to claim cash rebates in respect of our R&D activities, or only be able to receive such cash rebates at a significantly lower rate than at present. These and other potential future changes to the U.K. R&D tax relief programs may mean we no longer qualify or have a material impact on the extent to which we can make claims or benefit from them.

Unsurrendered U.K. tax losses may be carried forward indefinitely to be offset against future taxable profits, subject to numerous utilization criteria and restrictions. The amount that can be offset each year is limited to £5.0 million plus an incremental 50% of U.K. taxable profits. After accounting for tax credits receivable, we had accumulated tax losses for carry forward in the United Kingdom of £155.8 million as of December 31, 2023 (£124.3 million as of December 31, 2022). However, in the event of a change in ownership of a U.K. company, certain provisions may apply to restrict the utilization of carried forward tax losses in future periods. These provisions apply where there is a major change in the nature or conduct of a trade in connection with the change in ownership. For the avoidance of doubt, we do not recognize a deferred tax asset in respect of the accumulated tax losses. In addition to our accumulated tax losses in the United Kingdom, we also had £42.7 million of accumulated tax losses as of December 31, 2023 (£43.6 million as of December 31, 2022) related to our operations in Germany for corporate income taxes. We also had £41.4 million of accumulated losses related to trade taxes in our German entity (£43.6 million as of December 31, 2022). We had had a foreign tax expense in Germany of £0.4 million (2022: £0.4 million). Tax losses in the U.S. were negligible.

In the event we generate revenues in the future, we may benefit from the U.K. "patent box" regime that allows profits attributable to revenues from patents or patented products to be taxed at an effective rate of 10%.

Value Added Tax, or VAT, is charged on all qualifying goods and services by VAT-registered businesses. Where applicable, an amount of 20% of goods and services is added to all sales invoices and is payable to the U.K. tax authorities. Similarly, VAT paid on purchase invoices is reclaimable from the U.K. tax authorities.

Results of Operations

Comparison of the years ended December 31, 2023, 2022 and 2021

The following tables summarize the results of our operations for the years ended December 31, 2023, 2022 and 2021.

Consolidated Income statements

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Revenue	**25,375**	17,501	12,415
Cost of sales	**(10,318)**	(10,880)	(7,456)
Gross profit	**15,057**	6,621	4,959
Research and development costs	**(44,025)**	(35,605)	(30,765)
General and administrative expenses	**(20,636)**	(19,609)	(20,008)
Operating loss	**(49,604)**	(48,593)	(45,814)
Finance and other expenses	**(2,152)**	(47)	(52)
Finance and other income	**1,446**	1,272	10
Loss for the year before taxation	**(50,310)**	(47,368)	(45,856)
Taxation	**7,043**	6,879	6,446
Loss for the year after taxation	**(43,267)**	(40,489)	(39,410)
Loss per ordinary equity share (basic and diluted)	**(38.9) pence**	(41.9) pence	(44.1) pence

Revenue

Revenue for the year ended December 31, 2023 was £25.4 million (2022: £17.5 million; 2021: £12.4 million). The increase was primarily due to the advancement of targets in our AstraZeneca, and Hansoh collaborations which delivered £14.3 million to us in 2023 and £10.5 million from acquisition of the exclusive worldwide rights to two preclinical siRNA assets under the Mallinckrodt collaboration which resulted in a contract modification. (2022: £16.9 million; 2021: £12.0 million).

Cost of Sales

Cost of sales consists of research and development expenditure that is directly related to work carried out on revenue generating contracts, which decreased to £10.3 million for the year ended December 31, 2023 (2022: £10.9 million, 2021 £7.5 million). There were no costs associated with revenue recognized as a result of the Mallinckrodt collaboration contract modification. The remaining change was due to activity associated with our collaboration agreements, which fluctuates based on the timing of activities and project progression.

Research and Development Expenses

The following table summarizes our research and development costs for the years ended December 31, 2023, 2022 and 2021.

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Research and development expenses			
Contracted development costs	**28,105**	19,656	16,482
Personnel costs	**15,131**	13,902	12,663
Other costs	**789**	2,046	1,620
Total	**44,025**	35,605	30,765

Research and development costs for the year ended December 31, 2023 were £44.0 million as compared to £35.6 million for the year ended December 31, 2022 and £30.8 million for the year ended December 31, 2021. Contract development costs increased by £8.4 million from 2022 as a result of additional clinical trials and an increase in contract manufacturing activities for our proprietary programs. Personnel costs also increased by £1.2 million from 2022 associated with the increase of headcount related to the addition of new R&D programs.

General and administrative Expenses

General and administrative expenses were £20.6 million for the year ended December 31, 2023 as compared to £19.6 million for the year ended December 31, 2022 and £20.0 million for the year ended December 31, 2021. The increase is mainly due to a £2.8 million increase in equity-based compensation related to new grants in the current period offset by a reduction of other general and administrative costs including insurance, severance and legal costs as we continue to benefit from efficiencies gained and the monitoring of administrative costs.

Finance and Other Income (Expense)

Finance income primarily relates to accretion from U.S. Treasury Bills. For the year ended December 31, 2023 this was £1.4 million compared with £0.2 million for the same period in 2022 (2021: nil). There were no related foreign exchange gains in the year ended December 31, 2023 compared with a gains of 1.0 million in the same period in 2022 (2021: £44 thousand). Net foreign exchange gains and losses result primarily from foreign currency (Euro and USD) denominated bank accounts.

Finance expense for the year ended December 31, 2023 primarily relates to foreign exchange losses of £2.1 million compared with nil for the same period in 2022 (2021: nil).

Taxation

During 2023 and 2022, we have recognized U.K. research and development tax credits of £7.8 million and £7.4 million, respectively in respect of R&D expenditures incurred; the higher tax credit in current year due to an increase in R&D expenditure compared to previous year. This amount was offset by tax charges in our foreign tax expense.

Critical Accounting Policies, Judgments and Estimates

In the application of our accounting policies, we are required to make judgments, estimates, and assumptions about the value of assets and liabilities for which there is no definitive third-party reference. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Revisions to accounting estimates for the current and/or futures periods impacted, are recognized in the period in which the estimate is revised.

The following are our critical judgments that we have made in the process of applying our accounting policies and that have the most significant effect on the amounts recognized in our consolidated financial statements included elsewhere in this report.

Revenue Recognition under Collaboration Agreements

During the years ended December 31, 2023, 2022 and 2021, a significant portion of our revenue from collaboration agreements was derived from our agreements with Mallinckrodt, AstraZeneca, and Hansoh. Mallinckrodt obtained an exclusive worldwide license for three RNAi programs, AstraZeneca obtained an exclusive worldwide license for up to ten RNAi targets and Hansoh obtained an exclusive option to license up to two targets in Greater China, Hong Kong, Macau and Taiwan and a third target worldwide.

We have out-licensed the rights to some of our intellectual property associated with our siRNA stabilization chemistry technology to AstraZeneca in the context of a Research Collaboration, Option and License Agreement dated March 24, 2020, under which we and AstraZeneca will collaborate to discover, develop and commercialize siRNA therapeutics for the treatment of cardiovascular, renal, metabolic and respiratory diseases. AstraZeneca made an upfront cash payment of $60 million, of which $20 million was paid in May 2020 and the remaining $40 million was paid in May 2021. The upfront payment has been allocated evenly between the ten targets on the basis of a benchmarking exercise that took into account the standalone selling price per target, of similar precedent transactions that had been publicly announced by comparable companies. Subsequent milestones are allocated to the target to which they are related. The upfront and milestone payments will be recognized as revenue as the services are provided. We anticipate initiating work on up to five targets in the early stages of the collaboration, with AstraZeneca having the option to extend the collaboration to a further five targets. Under the collaboration, utilizing our technology, we are responsible for designing siRNA molecules against gene targets selected by AstraZeneca, and for manufacturing of material to support GLP toxicology studies and phase 1 clinical trials. We and AstraZeneca will collaborate during the discovery phase, and AstraZeneca will lead clinical development and commercialization of molecules arising from the collaboration. For each target selected under the collaboration, we will be eligible to receive up to $140 million in milestone payments upon the achievement of milestones relating to initiation of specified clinical trials, the acceptance of specified regulatory filings and the first commercial sale in specified jurisdictions. AstraZeneca has the right to terminate the agreement in its entirety or on a target-by-target basis, for any reason upon specified prior written notice to us. We may terminate the agreement on a target-by-target basis in the event that AstraZeneca begins a legal or administrative proceeding challenging the patentability, validity, ownership or enforceability of our patents. Either party may terminate the agreement on a target-by-target basis upon a material breach by the other party that is not cured within a specified period after receiving written notice, or in its entirety upon giving written notice following the other party's bankruptcy, insolvency or similar instance. The license of the intellectual property and the R&D services are not distinct, as AstraZeneca cannot benefit from the intellectual property absent the R&D services, as those R&D services are used to discover and develop a drug candidate and to enhance the value in the underlying intellectual property, which could not be performed by another party, indicating that the two are highly interrelated. On this basis, we have concluded that there is a single performance obligation covering both the R&D services and the license of the intellectual property in respect of each target (i.e., one for the initial target and one for each additional optioned complement-mediated disease target). We recognize revenue over the duration of the contract based on an input method based on percentage of cost incurred.

We granted an exclusive worldwide license to our C3 targeting program, SLN501, with options to license two additional complement-mediated disease targets, to Mallinckrodt in July 2019 to develop and commercialize RNAi drug targets designed to silence the complement cascade in complement-mediated disorders, with Mallinckrodt exercising the option for two additional targets from us in July 2020. The license of the intellectual property and the R&D services are not distinct, as Mallinckrodt cannot benefit from the intellectual property absent the R&D services,

as those R&D services are used to discover and develop a drug candidate and to enhance the value in the underlying intellectual property, which could not be performed by another party, indicating that the two are highly interrelated. On this basis, we have concluded that there is a single performance obligation covering both the R&D services and the license of the intellectual property in respect of each target (*i.e.,* one for the initial target and one for each additional optioned complement-mediated disease target). We recognize revenue over the duration of the contract based on an input method based on cost to cost.

The agreement with Mallinckrodt has four elements of consideration:

- a fixed upfront payment, which we received in July 2019;
- subsequent milestone payments, which are variable and depend upon our achievement of specified development, regulatory and commercial milestones;
- payments in respect of certain research personnel costs on an FTE, basis, which costs are variable depending on activity under the collaboration; and
- funding for phase 1 clinical development and certain preparatory activities, including GMP manufacturing, which costs are also variable.

The upfront payment has been allocated evenly between the initial target and the optioned complement-mediated disease targets, because the compounds are at a similar stage of development, on the basis of a benchmarking exercise that took into account the standalone selling price per target, of similar precedent transactions that had been publicly announced by comparable companies. Subsequent milestones are allocated to the target to which they are related. The upfront and milestone payments will be recognized as revenue as the services are provided.

In March 2023, the Company reacquired exclusive worldwide rights to two preclinical siRNA assets under its Mallinckrodt collaboration, which resulted in a modification of the agreement. No additional performance obligations were identified as a result of the modification as there were no additional goods or services to be provided by the Company and the modification resulted in the partially satisfied performance obligations relating to the two reacquired targets becoming fully satisfied as the Company was no longer obligated to develop these targets. SLN501, the C3 targeting program, remained under the original collaboration agreement through March 2024. The Company has accounted for the modification as if it were part of the existing contract as the remaining services to be delivered form part of a single performance obligation that is partially satisfied at the date of contract modification. The effect of the contract modification was the consideration originally received for the two preclinical siRNA assets was reallocated to SLN501. The Company has recognized the effect of the contract modification on the measure of progress towards complete satisfaction of the performance obligation and recognized an adjustment to revenue at the date of the contract modification on a cumulative catch-up basis. In relation to the reacquired targets, the Company will potentially pay future success-based milestones and low single digit royalties on net sales if the projects advance. The Company will recognize these variable success-based milestones as an intangible asset at cost when triggered. Any royalties will be expensed in cost of sales.

We granted an exclusive option to license two targets in Greater China, Hong Kong, Macau and Taiwan following the completion of phase 1 trials to Hansoh on October 15, 2021. We will retain exclusive rights for those two targets in all other territories. Silence will be responsible for all activities up to option exercise and will retain responsibility for development outside the China region post phase 1 trials. Hansoh will also have the exclusive option to license global rights to a third target at the point of IND filing. Hansoh will be responsible for all development activities post option exercise for the third target. Hansoh made a $16 million upfront payment to us in December 2021 which has been allocated between the three targets based on geography for each option, amount of reimbursable costs for activities provided by Silence for each target, as well as a benchmarking exercise that took into account the standalone selling price per target based on similar precedent transactions that had been publicly announced by comparable companies. Subsequent milestones are allocated to the target to which they are related. The upfront payment and subsequent milestone payments, which are variable and depend upon probability of achievement of specified development, regulatory and commercial milestones, will be recognized as revenue as the services are provided. The license of the intellectual property and the R&D services are not distinct, as Hansoh cannot benefit from the intellectual

property absent the R&D services, as those R&D services are used to discover and develop a drug candidate and to enhance the value in the underlying intellectual property, which could not be performed by another party, indicating that the two are highly interrelated. On this basis, we have concluded that there is a single performance obligation covering both the R&D services and the license of the intellectual property in respect of each target (*i.e.,* one for the initial target and one for each additional optioned complement-mediated disease target). We recognize revenue over the duration of the contract based on an input method based on cost to cost.

For all the collaboration agreements listed above, as there is only a single performance obligation per target, the revenue for each element of consideration will be recognized over the contract period based on a cost-to-cost method, which is considered to be the best available measure of our effort during the contract period. The total cost estimate for the contract includes costs expected to be incurred during the contract period. Other variable elements of consideration will only begin to be recognized when it is considered highly probable that a significant reversal of the amounts will not occur.

For the years ended December 31, 2023, 2022 and 2021, we determined actual costs and forecast costs for the remainder of the contract. We calculated total contract costs across the contract term, including costs that will be reimbursed to us, and costs incurred to date as a percentage of total contract costs. We multiplied this percentage by the consideration deemed highly probable of not having a significant reversal, calculating the cumulative revenue to be recognized. When variable consideration increases due to a further milestone becoming highly probable that a significant reversal of revenue will not occur, a catch-up in revenue is recorded to reflect efforts already expended by us up to that point.

Recognition of Clinical Trial Expenses

As part of the process of preparing our consolidated financial statements, we may be required to estimate accrued expenses related to our preclinical studies and clinical trials. To obtain reasonable estimates, we review open contracts and purchase orders. In addition, we communicate with applicable personnel in order to identify services that have been performed, but for which we have not yet been invoiced. In most cases, our vendors provide us with monthly invoices in arrears for services performed. We confirm our estimates with these vendors and make adjustments as needed. Examples of our accrued expenses include fees paid to CROs for services performed on preclinical studies and clinical trials and fees paid for professional services.

Recent Accounting Pronouncements

See note 2.1 to our consolidated financial statements for the year ended December 31, 2023 included elsewhere in this report for a discussion of new standards and interpretations recently and not yet adopted by us.

Jumpstart Our Business Startups Act of 2012

In April 2012, the U.S. Jumpstart Our Business Startups Act of 2012, or the JOBS Act, was enacted. Section 107(b) of the JOBS Act provides that an "emerging growth company," or EGC, can take advantage of an extended transition period for complying with new or revised accounting standards. Thus, an EGC can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. Given that we currently report and expect to continue to report under IFRS as issued by the IASB, we have irrevocably elected not to avail ourselves of this extended transition period, and, as a result, we will adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for other public companies in the United States.

We intend to rely on other exemptions and reduced reporting requirements under the JOBS Act. Subject to certain conditions, as an EGC, we may rely on certain of these exemptions, including exemptions from (1) providing an auditor's attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act and (2) complying with any requirement that may be adopted by the PCAOB regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, known as the auditor discussion and analysis.

We will remain an EGC until the earliest of (a) the last day of our fiscal year during which we have total annual gross revenue of at least $1.235 billion; (b) December 31, 2025; (c) the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt; or (d) the date on which we are deemed to be a "large accelerated filer" under the Securities Exchange Act of 1934, as amended, which would occur if the market value of our equity securities that are held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter. Once we cease to be an EGC, we will not be entitled to the exemptions provided in the JOBS Act.

We have taken advantage of reduced reporting requirements in this report. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold equity securities.

B. Liquidity and Capital Resources

Overview

Since our inception, we have incurred significant operating losses and negative cash flows. We anticipate that we will continue to incur losses for the foreseeable future. We expect that our research and development and administrative expenses will increase in connection with conducting clinical trials and seeking marketing approval for our product candidates, as well as costs associated with operating as a public company. As a result, we will need additional capital to fund our operations, which we may obtain from additional equity financings, debt financings, research funding, collaborations, contract and grant revenue or other sources.

As of December 31, 2023, we had cash, cash equivalents of £54.0 million ($68.8 million)

To date, we have financed our operations primarily through the issuances of our equity securities and from upfront, milestone and research payments under collaboration agreements with third parties.

We have no ongoing material financing commitments, such as lines of credit or guarantees, that are expected to affect our liquidity over the next five years, other than operating leases.

In January 2024, we raised an additional $20 million of gross proceeds before deducting £0.6 million in placement agent fees and other expenses, from sales of ADSs under our Sales Agreement.

On February 5, 2024 the Group announced a private placement of 5,714,286 of the Company's American Depositary Shares ("ADSs"), each representing three ordinary shares, at a price of US $21.00 per ADS, with new and existing institutional and accredited investors (the "Private Placement"). The aggregate gross proceeds of the Private Placement was US $120 million (approximately £94.5 million) before deducting approximately £5.7 million in placement agent fees and other expenses. The financing syndicate included 5AM Ventures, Frazier Life Sciences, Logos Capital, Nextech Invest Ltd (on behalf of one or more funds managed by it), Redmile Group, TCGX and Vivo Capital.

Refer to Note 2 of the condensed consolidated financial statements for additional discussion of liquidity and capital resources.

Cash Flows

The following table summarizes the results of our cash flows for the years ended December 31, 2023, 2022 and 2021.

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Net cash inflow/(outflow) from operating activities	**(39,350)**	(45,456)	6,806
Net cash inflow/(outflow) from investing activities	**16,430**	(16,542)	8,676
Net cash inflow from financing activities	**25,155**	43,049	30,711
Increase/(decrease) in cash and cash equivalents	**2,235**	(18,949)	46,193

Operating activities

Net cash outflow from operating activities are £39.4 million for the year ended December 31, 2023 from a net cash outflow of £45.5 million for the year ended December 31, 2022. This increase is largely due to the 2021 R&D tax credit payment of £6.9 million paid in 2023. No related amount was received in 2022.

Net cash outflow from operating activities decreased to £45.5 million for the year ended December 31, 2022 from a net cash inflow of £6.8 million for the year ended December 31, 2021. This was primarily due to a decrease in upfront cash payments from collaborators in 2022 (£41.5 million in 2021). Further decreases were from additional cash spend of £10.5 million from research, development and administrative costs incurred as we continue to expand and advance our research and development portfolio.

Investing activities

Net cash inflow from investing activities was £16.4 million for the year ended December 31, 2023, compared to an outflow of £16.5 million for the year ended December 31, 2022. This change was primarily due to the purchase of U.S. Treasury Bills with maturities over three months of £36.1 million in 2023 offset by redemptions of £20.7 million. For the year ended December 31, 2022, we had a purchase of £16.1 million with no redemptions.

Net cash outflow from investing activities was £16.5 million for the year ended December 31, 2022, compared to £8.7 million inflow for the year ended December 31, 2021. This change was primarily due to the purchase of U.S. Treasury Bills with maturities over three months of £16.3 million in 2022 while there was a redemption of term deposits of £10 million in 2021.

Financing activities

The net cash inflow from financing activities was £25.2 million for the year ended December 31, 2023, primarily due to the proceeds we received from the Open Market Sale agreement. The aggregate gross proceeds were £25.5 million before deducting £1.0 million offering expenses.

In 2022 we announced a registered direct offering and received aggregate gross proceeds of £46.4 million before deducting £3.3 million in underwriting discounts, commissions and estimated offering expenses.

In 2021, we received aggregate gross proceeds £33 million before deducting £2.4 million in placement agent fees and other expenses from an oversubscribed private placement of our ADSs.

Operating and Capital Expenditure Requirements

We have not achieved profitability on an annual basis since our inception, and we expect to incur net losses in the future. We expect that our operating expenses will increase as we continue to invest to grow our product candidate pipeline, hire additional employees and increase research and development expenses.

Additionally, as a public company, we incur significant additional audit, legal and other expenses. We believe that our existing capital resources will be sufficient to fund our operations, including currently anticipated research and development activities and planned capital spending, at least for the next twelve months.

Our future funding requirements will depend on many factors, including but not limited to:

- the scope, rate of progress and cost of our clinical trials, preclinical programs and other related activities;
- the extent of success in our early preclinical and clinical-stage research programs, which will determine the amount of funding required to further the development of our product candidates;
- the cost of manufacturing clinical supplies and establishing commercial supplies of our product candidates and any products that we may develop;
- the costs involved in filing and prosecuting patent applications and enforcing and defending potential patent claims;
- the outcome, timing and cost of regulatory approvals of our product candidates;
- the cost and timing of establishing sales, marketing and distribution capabilities; and
- the costs of hiring additional skilled employees to support our continued growth and the related costs of leasing additional office space.

C. Research and Development, Patent and Licenses, etc.

For a discussion of our research and development activities, including amounts spent on company-sponsored research and development activities for the last three financial years, see “Item 4.B. Business Overview” and “Item 5.A. Operating Results.”

D. Trends Information

Other than as disclosed elsewhere in this Annual Report, we are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material adverse effect on our net revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future operating results or financial conditions. For more information, see “Item 4.B. Business Overview,” “Item 5.A. Operating Results,” and “Item 5.B. Liquidity and Capital Resources.”

E. Critical Accounting Estimates

Critical accounting estimates are discussed in note 2.18 to our consolidated financial statements.

ITEM 6: DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Executive Officers and Directors

The following table sets forth information regarding our executive officers and directors as of the date of this report, including their ages as of the date of this Annual Report.

Name	Age	Position(s)
Executive Officers:		
Craig Tooman	58	President, Chief Executive Officer and Executive Director
Steven Romano, M.D.	64	Head of R&D
Rhonda Hellums	52	Chief Financial Officer
Non-Executive Directors:		
Iain Ross	70	Non-Executive Chairman
James Ede-Golightly	44	Non-Executive Director
Alistair Gray	75	Senior Independent Non-Executive Director
Dave Lemus	61	Non-Executive Director
Michael Davidson, M.D.	67	Non-Executive Director

Executive Officers

Craig Tooman has served as our President, Chief Executive Officer and as a member of our board of directors since February 2022 and previously served as our Chief Financial Officer from January 2021 until February 2022. Mr. Tooman has experience in the biopharmaceutical industry spanning more than 30 years, including 15 years of experience as a public company CEO and CFO. Prior to joining us, from September 2019 to January 2021, he served as CFO and COO at Vyome Therapeutics, Inc. and prior to his tenure at Vyome, from November 2013 to July 2019, Mr. Tooman served as CFO, and then subsequently as CEO and Board Director of Aratana Therapeutics, Inc., where he successfully negotiated a merger with Elanco. Before Aratana, from 2005 to 2010, Mr. Tooman served as the CFO of Enzon Pharmaceuticals, Inc. until its acquisition by Sigma Tau, and prior to that led the $1.1 billion M&A initiative and integration of ILEX Oncology, Inc. and Genzyme Corporation. Mr. Tooman has also held key positions at Pharmacia and Upjohn. Mr. Tooman currently serves on the Supervisory Board, and the Audit and Remuneration Committees of CureVac. He also serves on the Board of Directors of Ondine Biomedical Inc. and Verté Therapeutics. Mr. Tooman received a BA degree in Economics from Kalamazoo College and studied at Waseda University in Tokyo as part of that program. He earned his MBA in finance from the University of Chicago.

Rhonda Hellums has served as our Chief Financial Officer since February 2022 and has previously served as our Vice President, Finance since joining in April 2021. Ms. Hellums has over 25 years of corporate finance, accounting, strategic planning, M&A, treasury management, investor and public relations. Prior to joining Silence, from 2019 to 2021, she, she served as CFO of Deer Oaks Mental Health Associates and prior to that, from 2014 to 2019, Ms. Hellums served Vice President of Finance, and then subsequently as CFO of Aratana Therapeutics. Ms. Hellums has held management positions at several healthcare companies, including Kinetic Concepts, Inc. (now 3M+KCI), Enzon Pharmaceutical, Inc. Genzyme Corporation, and ILEX Oncology, Inc. Ms. Hellums received her BBA degree in Accounting and Information Systems and MBA from the University of Texas at San Antonio.

Steven Romano, M.D. has served as our Head of Research and Development since April 2023, and previously served as a member of our board of directors from July 2019 to March 2023. Dr. Romano is a pharmaceutical executive and board-certified psychiatrist with over 28 years of drug development experience across a wide range of therapeutic and disease areas. Dr. Romano most recently served as executive vice president and chief scientific officer at Mallinckrodt plc, where he had responsibility for research and development, regulatory, safety sciences and medical affairs. Prior to joining Mallinckrodt, Dr. Romano spent 16 years at Pfizer, Inc. where he held a series of senior research and development and medical roles of increasing responsibility, culminating in his most recent position as SVP, Head, Global Medicines Development, Global Innovative Pharmaceuticals Business. He has recently served as Chairman of the National Pharmaceuticals Council, a health policy research organization, and is a past president of the International Society for CNS Clinical Trials and Methodology, an independent organization focused on enhancing therapeutic development of central nervous system therapeutics. Dr. Romano graduated from Washington University in St. Louis with a bachelor's degree in biology and English literature, received his M.D. from the University of

Missouri-Columbia School of Medicine and completed his psychiatry and fellowship at Weill Cornell Medical Center, where he held academic and clinical positions prior to entering the industry.

Non-Executive Directors

Iain Ross has served as our Non-Executive Chairman since September 2020 after serving as Executive Chairman from December 2019 to September 2020. He previously served as our Non-Executive Chairman from April 2019 to December 2019 and as our Chairman from 2004 to 2010. Mr. Ross has experience in the international life sciences and technology sectors and has held significant roles in multi-national companies including Sandoz, Hoffman La Roche, Reed Business Publishing and Celltech Group plc. He has completed multiple financing transactions, and has over 30 years' experience in cross-border management as a chairman and CEO. He has led and participated in eight Initial Public Offerings (IPOs) and has direct experience of M&A transactions in Europe, the United States and the Pacific Rim. Currently he is Executive Chairman of ReNeuron Group plc (LSE). He also advises a number of private companies in the biotechnology sector. He is a qualified Chartered Director and Fellow of Royal Holloway, London University.

James Ede-Golightly has served as a member of our board of directors since April 2019. Mr. Ede-Golightly is currently Chairman of Oxehealth Ltd, Oxeco Ltd and ORA Global Ltd. Among other directorships, Mr. Ede-Golightly is also Non-Executive Director of Sarossa plc. Mr. Ede-Golightly was a founder of ORA Capital Partners in 2006, having previously worked as an analyst at Merrill Lynch Investment Managers and Commerzbank. Mr. Ede-Golightly is a CFA Charterholder and holds an M.A. degree in economics from Cambridge University. In 2012, he was awarded New Chartered Director of the Year by the Institute of Directors.

Alistair Gray has served as a member of our board of directors since November 2015 and was appointed as Senior Independent Director in December 2019. Mr. Gray currently serves as non-executive director/chair of the Edrington Group's Employee Benefit Trust, chair of the Scottish Enterprise's Pension Trustee Board and Life Assurance Scheme Trustee Board and Forumm (448 Studio) as well as a non-executive director of Scottish Golf Ltd. Mr. Gray is also a founder and director of Renaissance & Company, a strategic management consultancy firm. Mr. Gray previously held senior management positions with Unilever and John Wood Group PLC, and he also chaired the Audit and Remuneration committees of AorTech International PLC and Highland Distillers PLC. Mr. Gray entered strategic management consulting at Arthur Young Management Consultants (now EY) and PA Consulting Group, where he served as a director for over ten years. Mr. Gray also served as a Fellow of the Institute of Directors and Institute of Consultants. He graduated from the University of Edinburgh in Mathematics and Economics, following this with a management accounting qualification. He is a member of the faculty of Strathclyde Business School and a Visiting Professor at the University's Design Manufacturing and Engineering Management department. He is also a Visiting Professor at Loughborough University London, University of Liverpool and the University of Stirling.

Dave Lemus has served as a member of our Board since June 2018. He also currently serves as a non-executive director of Scilex Holding Company (Nasdaq: SCLX), Sorrento Therapeutics Inc. (OTC: SRNEQ), BioHealth Innovation, Inc., and miRecule Inc., where he also presently serves as the Chief Operating Officer & Chief Financial Officer. Additionally, he is currently the Chief Executive Officer of LEMAX LLC since 2017. Positions prior to this include serving as Chief Executive Officer of Ironshore Pharmaceuticals Inc, Chief Financial Officer and Chief Operating Officer of Medigene AG, Chief Executive Officer of Sigma Tau Pharmaceuticals, Inc., and Chief Financial Officer of MorphoSys AG, where he launched Germany's first biotech IPO in 1999. Prior to these positions he served as the Treasurer of Lindt & Spruengli AG, and in various management positions within F. Hoffman-LaRoche AG. Mr. Lemus received an M.S. from the Massachusetts Institute of Technology and a B.S. in accounting from the University of Maryland College Park. He is also presently an active certified public accountant licensed in the State of Maryland.

Michael H. Davidson, M.D. FACC, FNLA, has served as a member of our board of directors since January 2021. Dr. Davidson is Professor of Medicine and Director of the Lipid Clinic at the University of Chicago. He also serves as the Chief Executive Officer of New Amsterdam Pharma Company N.V. (Nasdaq: NAMS) which was listed on Nasdaq in November 2022. Dr. Davidson is a leading expert in the field of Lipidology. He has conducted over 1,000 clinical trials, published more than 350 medical journal articles and written three books on Lipidology. His research background encompasses both pharmaceutical and nutritional clinical trials including extensive research on statins, novel lipid-lowering drugs, and omega-3 fatty acids. Dr. Davidson is a serial biotech entrepreneur, founding three companies, the Chicago Center for Clinical Research, which became the largest investigator site in the United States

and was acquired by Pharmaceutical Product Development in 1996, Omthera Pharmaceuticals in 2008, which was acquired by AstraZeneca in 2013 for $440 million, and most recently, he was the founding CEO/CSO of Corvidia Therapeutics, which was acquired by Novo Nordisk for up to $2.1 billion in 2020. He is also an independent director of Nasdaq-listed Tenax Therapeutics, Inc. (Nasdaq: TENX) and serves on the board of two private biotech companies, Sonothera and NanoPhoria Bioscience. Dr. Davidson is board-certified in internal medicine, cardiology, and clinical lipidology. He was President (2010-2011) of the National Lipid Association, named as one The Best Doctors in America for the past 20 years and “Father of the Year” by the American Diabetes Association, 2010.

B. Compensation

Executive Officer Remuneration

The following table sets forth the remuneration paid during the year ended December 31, 2023, to our executive officers.

Name and Principal Position	Salary £000s	Bonus(1) £000s	Option Awards(2) £000s	Pension/Post Retirement Benefits £000s	All Other Compensation £000s	Total £000s
Craig Tooman	473	676	6,124	24	1	7,298
President and Chief Executive Officer						
Rhonda Hellums	345	329	1,783	24	17	2,498
Chief Financial Officer						
Steve Romano.	268	155	1,298	-	10	1,731
Head of R&D [3]						
Total	1,086	1,160	9,205	48	28	11,527

(1) Amount shown reflect bonuses awarded for achievement of performance goals for the fiscal year 2022 and 2023, which were both paid in 2023. 2023 bonuses for the listed executives were approved by the board of directors and paid at 150% of the entitlement due to significant strategic accomplishment and effort during the year.
(2) Amount shown represents the aggregate grant date fair value of option awards granted in 2023 measured using the Black Scholes model. For a description of the assumptions used in valuing these awards, see note 23 to our consolidated financial statements included elsewhere in this Annual Report. Total option award compensation expense for the year ended December 31, 2023 for all key management personnel and non-executive directors was £6.9 million.
(3) Mr. Romano became our Head of Research and Development in April, 2023.

Executive Service Agreements

Service Agreement of Craig Tooman

Craig Tooman, our President and Chief Executive Officer, entered into an amended and restated employment agreement with us on February 21, 2022. Mr. Tooman's employment with us (under a prior agreement) commenced on January 28, 2021.

Pursuant to the terms of the employment agreement, Mr. Tooman is entitled to an annual base salary, initially $575,000, which is subject to annual review. Under the terms of the employment agreement, Mr. Tooman is also entitled to: (i) participate in all employee benefit plans and other fringe benefits plans generally available to similarly situated employees, subject to customary conditions; (ii) 5 weeks' paid holiday per annum; (iii) payment of reasonable attorney's fees for the review of his employment agreement and all related documents up to a maximum of $10,000; and (iv) payment for the preparation of annual tax returns up to a maximum of $10,000 per year.

Mr. Tooman is eligible to participate in our discretionary bonus plan. Mr. Tooman's target annual bonus entitlement is 60% of his annual base salary. The bonus is performance based and final payout is entirely at the discretion of the Company. If Mr. Tooman's employment is terminated by us (other than for "Cause," as defined in the employment agreement, disability or death) or by Mr. Tooman for "Good Reason" (as defined in the employment agreement) and provided he is not in breach of the restrictive covenants (including post-termination) applicable to him (which we refer to herein as a Severance Good Leaver) prior to the end of any bonus year, he is eligible to be paid: (i) subject to Mr. Tooman executing a customary release of claims, such release becoming effective, or the Release Condition, any unpaid short-term bonus for any completed performance period and (ii) a pro rata bonus for the year in which the termination occurs based on the achievement of applicable performance goals.

In connection with Mr. Tooman's promotion to President and Chief Executive Officer, we granted him options representing the right to acquire 125,000 of our ADSs. The ADSs will vest in equal installments monthly over the next 48 months. The exercise price of the ADSs is $18.99.

Mr. Tooman's employment is "at will" and is terminable by either party on not less than 45 days' prior written notice (other than in the case of his death, disability or termination by us for Cause). If Mr. Tooman's employment is terminated and he is not a Severance Good Leaver, he will only be entitled to payments and benefits accrued at the termination date.

If Mr. Tooman is a Severance Good Leaver and subject to the Release Condition being met, in addition to payments and benefits accrued at the termination date, he is eligible to receive (i) continuation of his annual base salary for a period of 12 months, or the Tooman Separation Period, paid over the Tooman Separation Period in accordance with normal payroll practices and (ii) if elected by Mr. Tooman, continuation coverage under the Company's medical plan for no longer than the Tooman Separation Period, together with payment of the amount of COBRA premiums until the earliest of the expiration of the Severance Period, eligibility for healthcare coverage with a subsequent employer and ineligibility for COBRA benefits.

Any equity based awards held by Mr. Tooman will be treated on his termination in accordance with the relevant plan rules and award documentation save that, if Mr. Tooman becomes a Severance Good Leaver, such termination shall be deemed to be for a "Good Leaver Reason" for the purposes of the applicable share plan.

In the event of a "Change of Control" (as defined in the employment agreement), any equity awards held by Mr. Tooman will vest and become exercisable in full. In addition, if Mr. Tooman becomes a Severance Good Leaver within 12 months after the occurrence of a "Change of Control," Mr. Tooman will be entitled to the severance benefits described above save that the Separation Period shall be increased to 18 months and the amount due will be paid in a single sum payment.

If Mr. Tooman's employment is terminated by reason of his death or disability (in the circumstances described in the employment agreement), Mr. Tooman (or his estate) will be entitled to be receive: (i) payments and benefits accrued at the termination date; (ii) the annual bonus actually earned for the preceding bonus year to the extent unpaid on termination; and (iii) a pro-rata bonus in respect of the proportion of such year during which Mr. Tooman is employed by us. In addition, all vested equity awards will be treated in accordance with the relevant plan rules and award documentation as if Mr. Tooman was a "Good Leaver."

During the term of his employment, Mr. Tooman is restricted from accepting appointments with third parties save as agreed by us. He is permitted to continue his role on the board of directors of CureVac N.V, Odine Biomedical Inc. and a privately-held company as approved by the Non-Executive Chairman of the board of directors.

Compensation paid to Mr. Tooman is subject to repayment and/or claw-back obligations arising under applicable law or otherwise implemented under any Company clawback policy in effect from time to time.

The employment agreement contains customary provisions under Section 409A of the Code and standard assignment provisions relating to the ownership of intellectual property. Mr. Tooman is subject to confidentiality obligations which remain in place following termination of employment, and to non-solicitation, non-employment and non-inducement restrictive covenants for a period of 12 months post-termination of his employment.

Service Agreement of Rhonda Hellums

Rhonda Hellums, our Chief Financial Officer, entered into an amended and restated employment agreement with us on February 21, 2022. Ms. Hellums' employment with us (under a prior agreement) commenced in April 2021.

Pursuant to the terms of the employment agreement, Ms. Hellums is entitled to an annual base salary, initially $420,000, which is subject to annual review. Under the terms of the employment agreement, Ms. Hellums is also entitled to: (i) participate in all employee benefit plans and other fringe benefits plans generally available to similarly situated employees, subject to customary conditions and (ii) 5 weeks' paid holiday per annum.

Ms. Hellums is eligible to participate in our discretionary bonus plan. Ms. Hellums' target annual bonus entitlement is 40% of her annual base salary. The bonus is performance based and final payout is entirely at the discretion of the Company. If Ms. Hellums' employment is terminated by us (other than for "Cause," as defined in

the employment agreement, disability or death) or by Ms. Hellums for "Good Reason" (as defined in the employment agreement) and provided she is a Severance Good Leaver prior to the end of any bonus year, she is eligible to be paid: (i) subject to Ms. Hellums satisfying the Release Condition, any unpaid short-term bonus for any completed performance period and (ii) a pro rata bonus for the year in which the termination occurs based on the achievement of applicable performance goals.

In connection with Ms. Hellums' promotion to Chief Financial Officer, we granted her options representing the right to acquire 50,000 of our ADSs. The ADSs will vest in equal installments monthly over the next 48 months. The exercise price of the ADSs is $18.99.

Ms. Hellums' employment is "at will" and is terminable by either party on not less than 45 days' prior written notice (other than in the case of her death, disability or termination by us for Cause). If Ms. Hellums' employment is terminated and she is not a Severance Good Leaver, she will only be entitled to payments and benefits accrued at the termination date.

If Ms. Hellums is a Severance Good Leaver and subject to the Release Condition being met, in addition to payments and benefits accrued at the termination date, she is eligible to receive (i) continuation of her annual base salary for a period of 6 months, or the Hellums Separation Period, paid over the Hellums Separation Period in accordance with normal payroll practices and (ii) if elected by Ms. Hellums, continuation coverage under the Company's medical plan for no longer than the Hellums Separation Period, together with payment of the amount of COBRA premiums until the earliest of the expiration of the Severance Period, eligibility for healthcare coverage with a subsequent employer and ineligibility for COBRA benefits.

Any equity-based awards held by Ms. Hellums will be treated on her termination in accordance with the relevant plan rules and award documentation save that, if Ms. Hellums becomes a Severance Good Leaver, such termination shall be deemed to be for a "Good Leaver Reason" for the purposes of the applicable share plan.

In the event of a "Change of Control" (as defined in the employment agreement), any equity awards held by Ms. Hellums will vest and become exercisable in full. In addition, if Ms. Hellums becomes a Severance Good Leaver within 12 months after the occurrence of a "Change of Control," Ms. Hellums will be entitled to the severance benefits described above, save that the Separation Period shall be increased to 12 months and the amount due will be paid in a single sum payment.

If Ms. Hellums' employment is terminated by reason of her death or disability (in the circumstances described in the employment agreement), Ms. Hellums (or her estate) will be entitled to be receive: (i) payments and benefits accrued at the termination date; (ii) the annual bonus actually earned for the preceding bonus year to the extent unpaid on termination; and (iii) a pro-rata bonus in respect of the proportion of such year during which Ms. Hellums is employed by us. In addition, all vested equity awards will be treated in accordance with the relevant plan rules and award documentation as if Ms. Hellums was a "Good Leaver."

During the term of her employment, Ms. Hellums is restricted from accepting appointments with third parties save as agreed by us.

Compensation paid to Ms. Hellums is subject to repayment and/or claw-back obligations arising under applicable law or otherwise implemented under any Company clawback policy in effect from time to time.

The employment agreement contains customary provisions under Section 409A of the Code and standard assignment provisions relating to the ownership of intellectual property. Ms. Hellums is subject to confidentiality obligations which remain in place following termination of employment, and to non-solicitation, non-employment and non-inducement restrictive covenants for a period of 12 months post-termination of her employment.

Service Agreement of Steven Romano

Steven Romano entered into an employment agreement with us on April 1, 2023 as Interim Chief Medical Officer. On October 1, 2023, Dr. Romano was appointed as our Head of R&D.

Pursuant to the terms of the employment agreement, Dr. Romano is entitled to an annual base salary, initially $430,000, which is subject to annual review. Under the terms of the employment agreement, Dr. Romano is also entitled to: (i) participate in all employee benefit plans and other fringe benefits plans generally available to similarly situated employees, subject to customary conditions and (ii) 5 weeks' paid holiday per annum.

Dr. Romano is eligible to participate in our discretionary bonus plan. Dr. Romano's target annual bonus entitlement is 40% of his annual base salary. The bonus is performance based and final payout is entirely at the discretion of the Company. If Dr. Romano's employment is terminated by us (other than for "Cause," as defined in the employment agreement, disability or death) or by Dr. Romano for "Good Reason" (as defined in the employment agreement) and provided he is a Severance Good Leaver prior to the end of any bonus year, he is eligible to be paid: (i) subject to Dr. Romano satisfying the Release Condition, any unpaid short-term bonus for any completed performance period and (ii) a pro rata bonus for the year in which the termination occurs based on the achievement of applicable performance goals.

In connection with Dr. Romano's appointment on April 1, 2023, we granted him options representing the right to acquire 100,000 of our ADSs. The ADSs will vest in 25% upon the first anniversary of the grant, then remaining 75% equally over the next 36 months. The exercise price of the ADSs is $6.20. Upon appointment to Head of R&D, Dr. Romano was granted an additional options representing the right to acquire 150,000 of our ADSs. The ADSs will vest in equal installments monthly over the next 48 months. The exercise price of the ADSs is $9.82.

Dr. Romano's employment is "at will" and is terminable by either party on not less than 45 days' prior written notice (other than in the case of his death, disability or termination by us for Cause). If Dr. Romano's employment is terminated and he is not a Severance Good Leaver, he will only be entitled to payments and benefits accrued at the termination date.

If Dr. Romano is a Severance Good Leaver and subject to the Release Condition being met, in addition to payments and benefits accrued at the termination date, he is eligible to receive (i) continuation of his annual base salary for a period of 6 months, or the Romano Separation Period, paid over the Romano Separation Period in accordance with normal payroll practices and (ii) if elected by Dr. Romano, continuation coverage under the Company's medical plan for no longer than the Romano Separation Period, together with payment of the amount of COBRA premiums until the earliest of the expiration of the Severance Period, eligibility for healthcare coverage with a subsequent employer and ineligibility for COBRA benefits.

Any equity-based awards held by Dr. Romano will be treated on his termination in accordance with the relevant plan rules and award documentation save that, if Dr. Romano becomes a Severance Good Leaver, such termination shall be deemed to be for a "Good Leaver Reason" for the purposes of the applicable share plan.

In the event of a "Change of Control" (as defined in the employment agreement), any equity awards held by Dr. Romano will vest and become exercisable in full. In addition, if Dr. Romano becomes a Severance Good Leaver within 12 months after the occurrence of a "Change of Control," Dr. Romano will be entitled to the severance benefits described above, save that the Separation Period shall be increased to 12 months and the amount due will be paid in a single sum payment.

If Dr. Romano's employment is terminated by reason of his death or disability (in the circumstances described in the employment agreement), Dr. Romano (or his estate) will be entitled to be receive: (i) payments and benefits accrued at the termination date; (ii) the annual bonus actually earned for the preceding bonus year to the extent unpaid on termination; and (iii) a pro-rata bonus in respect of the proportion of such year during which Dr. Romano is employed by us. In addition, all vested equity awards will be treated in accordance with the relevant plan rules and award documentation as if Dr. Romano was a "Good Leaver."

During the term of his employment, Dr. Romano is restricted from accepting appointments with third parties unless agreed by us.

Compensation paid to Dr. Romano is subject to repayment and/or claw-back obligations arising under applicable law or otherwise implemented under any Company clawback policy in effect from time to time.

The employment agreement contains customary provisions under Section 409A of the Code and standard assignment provisions relating to the ownership of intellectual property. Dr. Romano is subject to confidentiality obligations which remain in place following termination of employment, and to non-solicitation, non-employment and non-inducement restrictive covenants for a period of 12 months post-termination of his employment.

Service Agreement of Giles Campion

Giles Campion, our former executive director, Chief Medical Officer and Head of R&D, retired on October 1, 2023. Dr. Campion's employment with us (under a prior agreement) commenced on June 1, 2019. The employment agreement contains standard assignment provisions relating to the ownership of intellectual property. Dr. Campion is subject to confidentiality obligations which remain in place following termination of employment, and to non-solicitation, non-deal and non-compete restrictive covenants for a period of 12 months post-termination of his employment.

Remuneration paid to Mr. Campion during the year ended December 31, 2023, included: £269 thousand in salary; a bonus payment of £158 thousand; option awards of £701 thousand in aggregate grant date fair value in 2023 measured using the Black Scholes model; and £59 thousand in other benefits. Dr. Campion was eligible for a 2023 pro-rata bonus in respect of the proportion of such year worked by him at 50% of his annual base salary which was paid in January 2024.

Equity Incentive Plans

The principal features of our equity incentive plans are summarized below. These summaries are qualified in their entirety by reference to the actual text of the applicable plan, which are each filed as exhibits to the registration statement of which this annual report is a part.

2023 Equity Incentive Plan with Non-Employee Sub-Plan and CSOP Sub-Plan

The 2023 Equity Incentive Plan with Non-Employee Sub-Plan and CSOP Sub-Plan, or the 2023 EIP, was adopted by our board of directors on March 20, 2023 and was approved by our shareholders on April 27, 2023. The 2023 EIP allows for the grant of equity-based incentive awards to our employees and directors, including directors who are also our employees. The material terms of the 2023 EIP are summarized below.

Eligibility and administration

Our employees, executive directors and employees of our subsidiaries are eligible to receive awards under the 2023 EIP. Our consultants, and non-executive directors and those of our subsidiaries, are eligible to receive awards under the Non-Employee Sub-Plan to the 2023 EIP described below. Our U.K. employees who meet the criteria under the Company Share Option Plan, or CSOP, regime, including that they do not have a material interest in our company (being either beneficial ownership of, or the ability to control directly or indirectly, more than 30% of our ordinary share capital) may be granted options under the CSOP Sub-Plan to the 2023 EIP described below. CSOP options can only be granted for so long as we continue to meet the criteria under the CSOP regime. Persons eligible to receive awards under the 2023 EIP (including the Non-Employee Sub-Plan and the CSOP Sub-Plan) are together referred to as service providers below.

Except as otherwise specified, references below to the 2023 EIP include the Non-Employee Sub-Plan and the CSOP Sub-Plan.

The 2023 EIP is administered by our board of directors, which may delegate its duties and responsibilities to one or more committees of our directors and/or officers (referred to as the Plan Administrator below), subject to certain

limitations imposed under the 2023 EIP, and other applicable laws and Nasdaq rules. The Plan Administrator has the authority to take all actions and make all determinations under the 2023 EIP, to interpret the 2023 EIP and award agreements and to adopt, amend and repeal rules for the administration of the 2023 EIP as it deems advisable. The Plan Administrator also has the authority to determine which eligible service providers receive awards, grant awards, set the terms and conditions of all awards under the 2023 EIP, including any vesting and vesting acceleration provisions, subject to the conditions and limitations in the 2023 EIP.

Shares available for awards

The maximum number of ordinary shares, or the Share Reserve, that was reserved for issuance under our 2023 EIP and approved by our shareholders on April 27, 2023, or the Share Reserve, was 3,000,000 ordinary shares (not including any ordinary shares that have become available under the Legacy Plans, as described below). No more than 57,111,057 ordinary shares may be issued under the 2023 EIP upon the exercise of Incentive Share Options (ISO limit). In addition, the number of ordinary shares reserved for issuance under our 2023 EIP automatically increases on January 1 of each year, commencing on January 1, 2024 and ending on (and including) January 1, 2033, in an amount equal to 5% of the total number of ordinary shares outstanding on December 31 of the preceding calendar year. Our board may act prior to January 1 of a given year to provide that there will be no increase for such year or that the increase for such year will be a lesser (but not greater) number of ordinary shares. Ordinary shares issued under the 2023 EIP may be new shares, shares purchased on the open market or treasury shares.

If an award under the 2023 EIP expires, lapses or is terminated, exchanged for cash, surrendered, repurchased, cancelled without having been fully exercised or forfeited, any unused shares subject to the award will, as applicable, become or again be available for new grants under the 2023 EIP.

If an option granted under the 2018 Employee Long Term Incentive Plan with US Sub-Plan and CSOP schedule for UK employees or the 2018 Non-Employee Long Term Incentive Plan with US Sub-Plan, or the Legacy Plans, prior to its effective date expires, lapses or is terminated, exchanged for cash, surrendered, repurchased, cancelled without having been fully exercised or forfeited on or after its effective date, any unused shares subject to the option will, as applicable, become available for new grants under the 2023 EIP and shall be added to the Share Reserve or will be subject to Recycling, up to a maximum of 16,037,019 ordinary shares. As at December 31, 2023 there were 1,259,952 ordinary share options outstanding under the 2023 EIP and there were 14,593,506 ordinary share options and outstanding under the Legacy Plans.

Awards granted under the 2023 EIP in substitution for any options or other equity or equity-based awards granted by an entity before such entity's merger or consolidation with us or our acquisition of such entity's property or stock will not reduce the number of ordinary shares available for grant under the 2023 EIP, but will count against the maximum number of ordinary shares that may be issued upon the exercise of Incentive Stock Options.
Options granted under the CSOP Sub-Plan are subject to individual and overall limits as specified by the CSOP regime from time to time.

References in this summary to ordinary shares include an equivalent number of our ADSs.

Awards

The 2023 EIP provides for the grant of options (which may be market value or otherwise, subject to local laws), share appreciation rights (which may be market value or otherwise, subject to local laws), or SARs, restricted shares, restricted share units, or RSUs, and other share-based awards. All awards under the 2023 EIP will be set forth in award agreements, which will detail the terms and conditions of awards, including any applicable vesting and payment terms, change of control provisions and post-termination exercise limitations. A brief description of each award type follows.

Options and SARs. Options provide for the purchase of our ordinary shares in the future at an exercise price set at no less than the nominal value (market value in the case of participants subject to taxation in the United States or options granted under the CSOP Sub-Plan) of an ordinary share on the grant date. SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The Plan Administrator will determine the number of shares covered by each option and

SAR, and the conditions and limitations applicable to the exercise of each option and SAR. Only options may be granted under the CSOP Sub-Plan.

Restricted shares and RSUs. Restricted shares are an award of non-transferable ordinary shares that remain forfeitable unless and until specified conditions are met and which may be subject to a purchase price. RSUs are contractual promises to deliver our ordinary shares in the future, which may also remain forfeitable unless and until specified conditions are met. The Plan Administrator may provide that the delivery of the shares underlying RSUs will be deferred on a mandatory basis or at the election of the participant. The terms and conditions applicable to restricted shares and RSUs will be determined by the Plan Administrator, subject to the conditions and limitations contained in the 2023 EIP.

Other share-based awards. Other share-based awards are awards of fully vested ordinary shares and other awards valued wholly or partially by referring to, or otherwise based on, our ordinary shares or other property. Other share-based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of compensation to which a participant is otherwise entitled. The Plan Administrator will determine the terms and conditions of other share-based awards, which may include any purchase price, performance goal, transfer restrictions and vesting conditions.

Performance criteria

The Plan Administrator may set performance goals in respect of any awards in its discretion.

Certain transactions

In connection with certain corporate transactions and events affecting our ordinary shares, including a change of control, another similar corporate transaction or event, the Plan Administrator has broad discretion to take action under the 2023 EIP. This includes cancelling awards for cash or property, accelerating the vesting of awards, providing for the assumption or substitution of awards by a successor entity, adjusting the number and type of shares subject to outstanding awards and/or with respect to which awards may be granted under the 2023 EIP and replacing or terminating awards under the 2023 EIP. In addition, in the event of certain equity restructuring transactions, the Plan Administrator will make equitable adjustments to the limits under the 2023 EIP and outstanding awards as it deems appropriate to reflect the transaction. The treatment of CSOP options in connection with such a transaction is subject to the requirements of the CSOP regime.

Plan amendment and termination

Our board of directors may amend or terminate the 2023 EIP at any time; however, no amendment may materially adversely affect an award outstanding under the 2023 EIP without the consent of the affected participant and shareholder approval will be obtained for any amendment to the extent necessary to comply with applicable laws. The 2023 EIP will remain in effect until the tenth anniversary of its effective date unless earlier terminated by our board of directors. No awards may be granted under the 2023 EIP after its termination.

Transferability and participant payments

Except as the Plan Administrator may determine or provide in an award agreement, awards under the 2023 EIP are generally non-transferrable, except to a participant's designated beneficiary, as defined in the 2023 EIP. With regard to tax and/or social security withholding obligations arising in connection with awards under the 2023 EIP, and exercise price obligations arising in connection with the exercise of options under the 2023 EIP, the Plan Administrator may, in its discretion, accept cash, wire transfer or check, our ordinary shares that meet specified conditions, a "cashless exercise", "net exercise", or such other consideration as the Plan Administrator deems suitable or any combination of the foregoing, subject, in the case of CSOP options, to the requirements of the CSOP regime.

Non-U.S. and Non-U.K. participants

The Plan Administrator may modify awards granted to participants who are non-U.S. or U.K. nationals or employed outside the U.S. and the U.K. or establish sub-plans or procedures to address differences in laws, rules, regulations or customs of such international jurisdictions with respect to tax, securities, currency, employee benefit or other matters or to enable awards to be granted in compliance with a tax favourable regime that may be available in any jurisdiction.

Non-Employee Sub-Plan

The Non-Employee Sub-Plan governs equity awards granted to our non-executive directors, consultants, advisers and other non-employee service providers and provides for awards to be made on identical terms to awards made under our 2023 EIP.

Legacy Plans

2018 Employee Long-Term Incentive Plan

On February 2, 2018, we adopted our 2018 Employee Long Term Incentive Plan, or the Employee LTIP. The Employee LTIP was subsequently amended on October 6, 2019 and on June 22, 2020 when the sub-plan for U.S. employees, or the Employee U.S. Sub-Plan, was adopted and the board of directors approved the restatement of the Employee LTIP to provide a new share reserve (subject to shareholder approval, which was obtained on July 23, 2020).

Eligibility and Administration

Our employees and the employees of our subsidiaries from time to time may be granted awards under the Employee LTIP at the discretion of the board of directors. No awards may be granted after the tenth anniversary of the adoption of the Employee LTIP.

The Employee LTIP is administered by our board of directors, which may delegate its duties and responsibilities to one or more committees of our directors and/or officers (together, referred to in this summary as the board of directors).

Limits

Pursuant to the terms of the Employee LTIP, as restated and approved by our shareholders on July 23, 2020, we are permitted to grant awards over 8,700,000 of our ordinary shares, which reserve shall automatically increase on January 1st of each year, until 2028, in an amount up to 5% of the total number of our outstanding ordinary shares on December 31st of the preceding calendar year. This cap covers awards granted under the Employee LTIP, the Employee U.S. Sub-Plan, the Non-Employee LTIP and the Non-Employee U.S. Sub-Plan (each as defined below), but excludes awards already satisfied by the issuance of shares prior to the date on which our shareholders approve such reserve. If an award expires, lapses or is terminated, exchanged for cash, surrendered, repurchased or cancelled without having been fully exercised, the unused shares in respect of such award return to the reserve.

As of December 31, 2022, awards of 11,571,487 which represents 3,857,162 ADSs at a 3:1 ratio were outstanding under the Employee LTIP (all granted in the form of options).

Awards under the Employee LTIP may generally not be granted to an individual on or after October 1, 2019 if, when taken with any other awards granted to that individual on or after that date, the market value of such awards normally vesting in a 12-month period would exceed 250% of that individual's annual base salary. If the board of directors determines that exceptional circumstances exist, awards in excess of this limit may be granted, subject to a higher limit of 300% of that individual's annual remuneration.

Awards

Awards under the Employee LTIP may be in the form of a conditional right to acquire ADS/shares, or a Conditional Share Award, an option (including a CSOP option, as described below) to acquire shares with an exercise price which will not normally be less than £0.05 (being the nominal value of a share), unless arrangements are in place for such nominal value to be paid up as at the date of issue of the relevant shares, or a right to acquire shares subject to forfeiture in certain circumstances, or Restricted Shares.

Awards in the form of CSOP options may be granted to our U.K. employees who meet the criteria under the Company Share Option Plan, or CSOP, regime. Employees who have a material interest in our company cannot be granted CSOP options. A material interest is either beneficial ownership of, or the ability to control directly or indirectly, more than 30% of our ordinary share capital. CSOP options can only be granted for so long as we continue to meet the criteria under the CSOP regime.

Awards granted as CSOP options are subject to the limits in respect of such awards under the CSOP regime.

Terms Generally Applicable to Awards

No payment is required to be made by the employee when an award is granted.

An award price, payable prior to vesting or exercise (as applicable) or an award may be specified. If such award price is lower than the nominal value of a share, there must be arrangements in place for such nominal value to be paid up as at the date of issue of the relevant shares. Awards granted in the form of CSOP options must be granted with a market value exercise price.

Awards may be granted subject to objective performance conditions or other conditions set on or before the date the award is granted. Any such conditions may be substituted, varied or waived if an event occurs such that we consider such conditions to no longer be appropriate. Such substitution, variation or waiver must be implemented in such a manner as is reasonable in the circumstances and, in the case of a substitution or variation, which produces a fairer measure of performance and is not materially less difficult to satisfy than if the event had not occurred. Awards have typically been granted in the form of options vesting according to performance conditions measured over at least three years.

Awards may be granted subject to a post-vesting holding period during which the shares acquired on vesting of such award may not be transferred, assigned or otherwise disposed of other than to fund participation in a rights issue or to cover any applicable withholding taxes. The award holder may be required to take certain steps, including depositing the shares with a third party, to aid the enforcement of any such holding period.

Awards are not capable of transfer other than on death to the employee's personal representative.

The number of shares subject to awards, the description thereof and/or any award price may be adjusted in the event of a variation in the share capital of the company. Any adjustment to awards granted in the form of CSOP options must be made in accordance with the CSOP regime.

Awards other than CSOP options may be granted on terms that include a right to receive an additional amount of shares or cash on or following vesting of the award equal in value to the dividends which would have been paid had the award holder held an equivalent number of shares to those vesting during the period from the date of grant to the date of vesting.

Awards other than CSOP options may, in the discretion of the board of directors, be settled in cash, or 'net' settled.

Awards in the form of options granted to U.S. taxpayers with an exercise price of less than 100% of the fair market value of a share on the date of grant, determined in accordance with Section 409A of the Code must, if required

for compliance with such Section, be exercised within 2.5 calendar months after the end of the relevant U.S. tax year (or, if later, the tax year of the entity engaging the U.S. taxpayer) in which the option first becomes exercisable.

Leavers

Leaver provisions apply to awards depending on whether the award is granted before October 1, 2019, or an Old Award, or on or after October 1, 2019 or a New Award.

Old Awards generally continue to vest and may only be exercised while the award holder remains employed by us or one of our subsidiaries, and such awards generally lapse on cessation of such employment.

Where the holder of the Old Award is a Good Leaver (as defined below), awards generally continue to vest until the normal vesting date, to the extent any applicable performance conditions were met at the date of grant. The board of directors may determine that the Old Award will instead vest immediately to an extent determined by the board of directors taking into account such factors as it considers relevant. Any vested portion of the Old Award may be exercised within a period of 90 days following the later of the date of termination or the vesting date, or such other period as the board of directors may determine, and shall lapse thereafter.

"Good Leaver" is defined to include cessation of employment by reason of injury, ill health, disability, the employing company or undertaking in which the award holder works being sold out of our group or cessation of employment in any other circumstances if the board of directors so decides (other than summary dismissal).

Where the holder of an Old Award dies, a proportion of each Old Award will vest immediately, such proportion to be determined by the board. Alternatively, the board may decide that the Old Award will continue to vest according to the prescribed vesting schedule. The Old Awards may be exercised by the deceased employee's representative for 12 months following the death. In the case where a holder of an Old Award ceases to be an employee by reason of injury, illness, disability or transfer outside of the company, a proportion of each Old Award will vest immediately, such proportion to be determined by the board. Alternatively, the board may decide that the Old Award will continue to vest according to the prescribed vesting schedule. The holder may exercise the Old Award during the period ending 90 days following the cessation of employment.

New Awards generally continue to vest while the award holder remains employed by us or one of our subsidiaries. Where the New Award holder is a Good Leaver (as defined above), dies or is terminated by his or her employer for a reason other than other than summary dismissal or termination for "cause" (as defined in his or her employment agreement), New Awards may be exercised for a period of twelve months following such termination (or such shorter period not less than 90 days as the board of directors may specify) and shall lapse thereafter. In all other circumstances, New Awards lapse on cessation of employment.

If the holder of a CSOP option dies, his or her option must be exercised within 12 months thereafter, and lapses to the extent not so exercised.

The board of directors may also take steps to preserve the interests of an award holder who relocates to a new country.

Corporate Transactions

The board of directors may in its discretion determine that all or a proportion of unvested awards will vest in connection with a change of control (as defined in section 995 of the U.K. Income tax Act 2007) of the Company. An option that is already vested or which vests in these circumstances may be exercised within one month of the change of control or such longer period as determined by the board of directors and shall lapse at the end of such period. Vesting of awards may similarly be accelerated in the discretion of the board of directors in connection with (i) a person becoming entitled or bound to acquire shares in the Company under sections 979 to 982 of the Companies Act; (ii) a person obtaining control of the Company in pursuance of a compromise or arrangement sanctioned by the court under section 899 of the Companies Act; (iii) notice being given for the voluntary winding-up of the Company; or (iv) a demerger, distribution (which is not an ordinary dividend) or other transaction in respect of the Company. The board

of directors may also determine that awards will vest in advance of the occurrence of the aforementioned corporate events.

Notwithstanding the above, the board of directors may determine that awards shall instead be exchanged for equivalent awards over shares in an acquiring company in connection with certain corporate events (and the vesting of such awards shall not be accelerated).

The treatment of awards granted in the form of CSOP options is subject to certain additional restrictions under the CSOP regime.

Clawback

Awards granted to applicable employees, including the Executive Officers, may be subject to clawback in the period of two years after vesting (or such longer period as may be specified by the board of directors and notified to the applicable employee). Clawback may be applied in certain circumstances including where there has been a material misstatement of our financial results, an error in assessing the performance conditions to which an award is subject or the determination of the number of shares subject to an award, a breach of confidentiality obligations, or certain acts of negligence, fraud or serious misconduct.

All awards are subject to adjustment (including a reduction in the number of shares under award to nil) prior to vesting in the same circumstances as in which clawback may be applied.

Amendment

The board of directors has the power to amend the Employee LTIP, including to adopt sub-plans for the benefit of employees located outside the United Kingdom. An amendment may not materially adversely affect the rights of existing award holders except to take account of legal or regulatory requirements or where all award holders affected by the amendment have been notified thereof and the majority of them have consented to it.

Employee U.S. Sub–Plan

On June 22, 2020, the board of directors adopted the Employee U.S. Sub-Plan under the Employee LTIP. Our shareholders approved the Employee U.S. Sub-Plan on July 23, 2020. The Employee U.S. Sub-Plan permits the grant of awards to eligible participants under the Employee LTIP who are U.S. residents and U.S. taxpayers, including potentially tax efficient incentive stock options. Unless options granted under the Employee U.S. Sub-Plan are structured to be compliant with Section 409A of the Code, the exercise price of options granted under the Employee U.S. Sub- Plan shall not be less than 100% of the fair market value of a share on the date of grant, determined in accordance with Section 409A of the Code. Conditional share awards granted under the Employee U.S. Sub-Plan are termed Restricted Stock Units, or RSUs. The maximum number of shares that may be issued under the Employee U.S. Sub-Plan upon the exercise of incentive stock options is 26,100,000.

2018 Non-Employee Long-Term Incentive Plan

On February 2, 2018, we adopted our 2018 Non-Employee Long Term Incentive Plan, or the Non-Employee LTIP. The Non-Employee LTIP was subsequently amended on October 6, 2019 and on June 22, 2020 when the sub-plan for United States non-employees, or the Non-Employee U.S. Sub-Plan, was adopted and the board of directors approved the restatement of the Non-Employee LTIP to provide a new share reserve (subject to shareholder approval, which was obtained on July 23, 2020).

The terms of the Non-Employee LTIP are similar to those of the Employee LTIP described above, except that only individuals, partnerships or companies who providing services to us or a subsidiary under a contract for the provision of services (including our non-executive directors) may participate. Awards have typically been granted to our non-executive directors as options to purchase our ordinary shares which vest subject to certain performance conditions being met.

As of December 31, 2023, awards over 389,999 ADSs were outstanding under the Non-Employee LTIP (all granted in the form of options).

Non-Employee U.S. Sub –Plan

In June 2020, the board of directors adopted the Non-Employee U.S. Sub-Plan under the Non-Employee LTIP. Our shareholders approved the Non-Employee U.S. Sub-Plan on July 23, 2020. The Non-Employee U.S. Sub-Plan permits the grant of awards to eligible participants under the Non-Employee LTIP who are U.S. residents and U.S. taxpayers. Unless options granted under the Employee U.S. Sub-Plan are structured to be compliant with Section 409A of the Code, the exercise price of options granted under the Non-Employee U.S. Sub- Plan shall not be less than 100% of the fair market value of a share on the date of grant, determined in accordance with Section 409A of the Code. Conditional share awards granted under the Non-Employee U.S. Sub-Plan are termed Restricted Stock Units, or RSUs.

2023 Grants

The following table summarizes the options that we granted to our directors and executive officers under the 2018 Long Term Incentive Plan in 2023:

Name	Ordinary Shares/Underlying Options	Exercise price per share	Exercise price per ADS	Grant Date	Expiration Date	Number of underlying shares	Number of underlying ADSs
Craig Tooman	Underlying Options	$ 5.13	$ 15.38	5-Jan-23	5-Jan-33	2,100,000	700,000
Craig Tooman	Underlying Options	$ 3.33	$ 9.98	14-Sep-23	14-Sep-33	216,960	72,320
Rhonda Hellums	Underlying Options	$ 5.13	$ 15.38	5-Jan-23	5-Jan-33	600,000	200,000
Rhonda Hellums	Underlying Options	$ 3.33	$ 9.98	14-Sep-23	14-Sep-33	79,506	26,502
Stephen Romano M.D.	Underlying Options	$ 2.07	$ 6.20	1-Apr-23	1-Apr-33	300,000	100,000
Stephen Romano M.D.	Underlying Options	$ 5.13	$ 15.38	14-Sep-23	14-Sep-33	48,000	16,000
Stephen Romano M.D.	Underlying Options	$ 3.27	$ 9.82	1-Oct-23	1-Oct-33	450,000	150,000
Iain Ross	Underlying Options	$ 5.13	$ 15.38	14-Sep-23	14-Sep-33	90,000	30,000
Alistair Gray	Underlying Options	$ 5.13	$ 15.38	14-Sep-23	14-Sep-33	48,000	16,000
Dave Lemus	Underlying Options	$ 5.13	$ 15.38	14-Sep-23	14-Sep-33	48,000	16,000
James Ede-Golightly	Underlying Options	$ 5.13	$ 15.38	14-Sep-23	14-Sep-33	48,000	16,000
Michael Davidson M.D.	Underlying Options	$ 5.13	$ 15.38	14-Sep-23	14-Sep-33	48,000	16,000

Non-Executive Directors Remuneration

The following table sets forth the remuneration paid to our non-executive directors for service on our board of directors during the year ended December 31, 2023. The remuneration paid to our executive directors, during the year ended December 31, 2023 is described in the section titled "*Executive Officer Remuneration.*"

	Base salary	Bonus	Taxable benefits	Pension	Option Awards (1)	Total fixed remuneration
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Non-Executive Directors:						
Iain Ross	94	50	-	-	258	402
Alistair Gray	56		-	-	137	193
Dave Lemus	47		-	-	137	184
James Ede-Golightly	45		-	-	137	182
Michael Davidson M.D.	41		-	-	137	178

(1) Amount shown represents the aggregate grant date fair value of option awards granted in 2023 measured using the Black Scholes model. For a description of the assumptions used in valuing these awards, see note 23 to our consolidated financial statements included elsewhere in this Annual Report.

Non-Executive Director Letters of Appointment

We have entered into letters of appointment with each of our non-executive directors. The appointment of our non-executive Chair can be terminated by either us or the director upon six months' written notice, the other non-executive directors can be terminated by either us or the director upon three calendar months' written notice, or by us in our absolute discretion at any time with immediate effect on payment of money in lieu of notice.

Under the non-executive director appointment letters, we may also terminate each appointment with immediate effect if the non-executive director: (1) commits a material breach of his obligations under the letter of appointment; (2) commits a serious or repeated breach or non-observance of his obligations to us; (3) has been guilty of any fraud or dishonesty or acts in any manner which, in our opinion, brings or is likely to bring us into disrepute or is materially adverse to our interests; (4) is incompetent or guilty of gross misconduct and/or any serious or persistent negligence or misconduct in respect of his obligations under the letter of appointment; (5) failed or refused after a written warning to carry out the duties reasonably and properly required under the letter of appointment; (6) is convicted of an arrestable criminal offense other than a road traffic offense for which a fine or non-custodial penalty is imposed; (7) is declared bankrupt or makes an arrangement with or for the benefit of his creditors, or suffers comparable proceedings in another jurisdiction; (8) is disqualified from acting as a director in any jurisdiction; (9) accepts a position with another company, without our prior agreement, which in the reasonable opinion of the Board may give rise to a conflict of interest between his position as a director of our company and his interest in such other company; or (10) commits any offense under the U.K. Bribery Act 2010.

C. Board Practices

Composition of our Board of Directors

Our board of directors is currently composed of eight members. In 2023, our board consisted of two executive directors, consisting of Mr. Tooman and Dr. Campion (until April 1, 2023), and five non-executive directors after Dr. Romano resigned and became an employee on April 1, 2023. As a foreign private issuer, under the listing requirements and rules of Nasdaq, we are not required to have independent directors on our board of directors, except that our audit committee is required to consist fully of independent directors, subject to certain phase-in schedules. Our board of directors has determined that none of our directors, other than our executive directors, and Mr. Ross, who, having served as our Executive Chairman until September 14, 2020, was employed by us within the last three years, has a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of director and that each of these five directors is "independent" as that term is defined under Nasdaq rules. There are no family relationships among any of our executive officers or directors.

In accordance with our articles of association, any director who served as a director at each of the preceding two annual general meetings of shareholders and who was not appointed or re-appointed by the shareholders at a general meeting at, or since, either such meeting shall retire from office at the next annual general meeting of shareholders. Retiring directors are eligible for re-election. See "Description of Share Capital and Articles of Association—Articles

of Association— Directors" filed as Exhibit 2.3 to this report. Our executive directors are employed as officers on an "at will" basis and they will continue to serve unless terminated or unless they quit.

Committees of our Board of Directors

Our board of directors has four standing committees: an audit and risk committee, a remuneration committee, a nominations committee, and a science and technology committee.

Audit and Risk Committee of the Board

Our audit and risk committee, which consists of Messrs. Ede-Golightly, Gray, and Lemus and Dr. Davidson, assists the board of directors in overseeing our accounting and financial reporting processes and the audits of our financial statements. Mr. Lemus serves as chairman of the audit and risk committee. The audit and risk committee consists exclusively of members of our board who are financially literate, and Mr. Lemus is considered an "audit committee financial expert" as defined by applicable SEC rules and has the requisite financial sophistication as defined under applicable Nasdaq rules. Our board has determined that all of the members of the audit and risk committee satisfy the "independence" requirements set forth in Rule 10A-3 under the Exchange Act and the Nasdaq corporate governance rules. The audit and risk committee is governed by a charter that complies with the rules of Nasdaq.

The audit and risk committee's responsibilities include:

- monitoring the integrity of our financial and narrative reporting, preliminary announcements and any other formal announcements relating to our financial performance;
- reviewing the appropriateness and completeness of our internal controls;
- considering annually whether we should have an internal audit function;
- overseeing our relationship with the external auditors and assessing the effectiveness of the external audit process, including in relation to appointment and tendering, remuneration and other terms of engagement, appropriate planning ahead of each annual audit cycle, the independence of external auditors, and approving any non-audit services to be provided by the external auditors;
- maintaining regular, timely, open and honest communication with the external auditors, ensuring the external auditors report to the committee on all relevant matters to enable the committee to carry out its oversight responsibilities;
- monitoring risk;
- reviewing accounting policies and key estimates and judgments; and
- establishing procedures for compliance, whistleblowing and fraud.

Remuneration Committee of the Board

Our remuneration committee, which consists of Messrs. Ede-Golightly, Lemus and Dr. Davidson, assists the board of directors in determining executive director and officer compensation. Mr. Ede-Golightly serves as chairman of the remuneration committee.

The remuneration committee's responsibilities include:

- setting a remuneration policy that is designed to promote our long-term success and reviewing the on-going appropriateness of such policy;

- ensuring that the remuneration of executive directors and other senior executives reflects both their individual performance and their contribution to our overall results;
- determining the terms of employment and remuneration of executive directors and other senior executives, including recruitment and retention terms;
- approving the design and performance targets of any annual incentive schemes that include the executive directors and other senior executives;
- agreeing upon the design and performance targets, where applicable, of all share incentive plans requiring shareholder approval;
- rigorously assessing the appropriateness and subsequent achievement of the performance targets related to any share incentive plans;
- recommending to our board of directors the fees to be paid to our Chair, who is excluded from this process;
- gathering and analyzing appropriate data from comparator companies in the biotechnology sector; and
- the selection and appointment of external advisers to the remuneration committee, if any, to provide independent remuneration advice where necessary.

Nominations Committee of the Board

Our nominations committee, which consists of Messrs. Ross, and Gray, assists our board of directors in identifying individuals qualified to become members of our board and executive officers consistent with criteria established by our board in developing our corporate governance principles. Mr. Ross serves as chairman of the nominations committee.

The nominations committee's responsibilities include:

- regularly reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) required of our board of directors compared to its current position and making recommendations to the board of directors with regard to any changes;
- determining the qualities and experience required of our executive and non-executive directors and identifying suitable candidates, assisted where appropriate by recruitment consultants;
- formulating plans for succession for both executive and non-executive directors, and in particular for the key roles of Chair and Chief Executive Officer;
- assessing the re-appointment of any non-executive director at the conclusion of his or her specified term of office, having given due regard to the director's performance and ability to continue to contribute to our board of directors in the light of the knowledge, skills and experience required; and
- assessing the re-election by shareholders of any director, having due regard to his or her performance and ability to continue to contribute to our board of directors in the light of the knowledge, skills and experience required and the need for progressive refreshing of the board of directors.

Science and Technology Committee of the Board

Our science and technology committee, which consists of Dr. Davidson, assists our board of directors in overseeing our scientific and research strategy. Dr. Davidson serves as chairman of the science and technology committee as of April 1, 2023. Our board of directors is responsible for appointing the members of the science and

technology committee and each member can be appointed for a term of up to three years and such term may be extended by no more than two additional three-year periods.

The science and technology committee's responsibilities include:

- reviewing, evaluating and providing strategic advice to the board of directors on the quality, direction and competitiveness of our research and development programs;
- reviewing, evaluating and providing strategic advice to the board of directors on our research and development strategy and plans, and the means for and progress in achieving its goals and objectives;
- at the request of the board of directors, performing a scientific and technical review of internal and external investments, including business development projects, potential acquisitions, and purchase of new technologies;
- conducting regular reviews of the pipeline; and
- monitoring, identifying and discussing significant emerging science and technology issues and trends, including their impact on any research and development programs, plans, or policies.

D. Employees

As of December 31, 2023, we had 109 employees. Of these employees, 82 employees are engaged in research and development activities and 27 employees are engaged in general and administrative activities. We have no collective bargaining agreements with our employees and we have not experienced any work stoppages.

E. Share Ownership

For information regarding the share ownership of members of our board and executive officers and arrangements involving our employees in our share capital, see Item 6.B. Compensation, Item 7.A. Major Shareholders and Item 7.B. Related Party Transactions.

F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation

Not applicable.

ITEM 7: MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. MAJOR SHAREHOLDERS

The following table sets forth information with respect to the beneficial ownership of our ordinary shares as of March 1, 2024 by:

- each person, or group of affiliated persons, that beneficially owns 5% or more of our outstanding ordinary shares;
- each of our directors and executive officers; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities and include ordinary shares that can be acquired within 60 days of March 1, 2024. Percentage ownership calculations are based on 139,506,817 ordinary shares issued and outstanding as of March 1,

2024, plus, consistent with SEC rules on disclosure of beneficial ownership, ordinary shares that each security holder has the ability to acquire within 60 days of March 1, 2024.

Except as otherwise indicated, all persons listed below have sole voting and investment power with respect to the ordinary shares beneficially owned by them, subject to applicable community property laws. The information is not necessarily indicative of beneficial ownership for any other purpose. None of our shareholders have different voting rights from other shareholders. We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

Except as otherwise indicated in the table below, addresses of the directors, executive officers and named beneficial owners are care of Silence Therapeutics plc, 72 Hammersmith Road, London W14 8TH, United Kingdom.

Name of Beneficial Owner	Number of Ordinary Shares Beneficially Owned	Percentage Beneficially Owned
5% or Greater Shareholders:		
Richard Griffiths	28,722,255	20.6%
Compagnie Odier SCA (1)	22,476,150	16.1%
Robert Keith	12,291,528	8.8%
TCG Crossover Management, LLC	9,886,050	7.1%
Invus Public Equities Advisors, LLC	9,000,000	6.5%
Executive Officers and Directors:		
Craig Tooman (2)	1,617,762	1.2%
Rhonda Hellums (3)	427,545	0.3%
Iain Ross (4)	1,117,434	0.8%
James Ede-Golightly (5)	56,331	*
Alistair Gray (6)	48,858	*
Dave Lemus (7)	48,858	*
Steven Romano, M.D. (8)	99,867	*
Michael Davidson, M.D. (9)	54,324	*
All current directors and executive officers as a group (8 persons)	3,470,979	2.5%

*Represents beneficial ownership of less than one percent

(1) Lombard Odier Asset Management (USA) Corp. is the investment adviser to this holder, and as such it and its portfolio managers Adam McConkey and Robert Giles have the power to vote or dispose of the ordinary shares held of record by this holder and may be deemed to beneficially own those securities. Each of Mr. McConkey and Mr. Giles disclaims beneficial ownership of such securities, except to the extent of his pecuniary interest therein. The address of Lombard Odier Asset Management (USA) Corp. is 452 Fifth Avenue, 25th Floor, New York, NY 10018.
(2) Consists of 33,486 ordinary shares held and 1,584,276 ordinary shares issuable upon the exercise of share options that will be vested and exercisable within 60 days of March 1, 2024.
(3) Consists of 1,500 ordinary shares held and 426,045 ordinary shares issuable upon the exercise of share options that will be vested and exercisable within 60 days of March 1, 2024.
(4) Consists of 39,942 ordinary shares held and 1,007,492 ordinary shares issuable upon the exercise of share options that will be vested and exercisable within 60 days of March 1, 2024.
(5) Consists of 15,000 ordinary shares held and 41,331 ordinary shares issuable upon the exercise of share options that will be vested and exercisable within 60 days of March 1, 2024.
(6) Consists of 7,527 ordinary shares held and 41,331 ordinary shares issuable upon the exercise of share options that will be vested and exercisable within 60 days of March 1, 2024.
(7) Consists of 7,527ordinary shares held and 41,331ordinary shares issuable upon the exercise of share options that will be vested and exercisable within 60 days of March 1, 2024.
(8) Consists of 12,993 ordinary shares held and 86,874 ordinary shares issuable upon the exercise of share options that will be vested and exercisable within 60 days of March 1, 2024 of which 45,543 ordinary shares issuable upon exercise are from employee options granted.
(9) Consists of 12,993 ordinary shares held and 41,331 ordinary shares issuable upon the exercise of share options that will be vested and exercisable within 60 days of March 1, 2024.

We estimate that as of March 1, 2024, approximately 51% of our outstanding ordinary shares are held by 61 U.S. record holders.

B. Related Party Transactions.

Since January 1, 2023, we have not engaged in any transactions with our directors, executive officers or holders of more than 10% of our outstanding share capital and their affiliates, which we refer to as our related parties.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8: FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information.

Consolidated Financial Statements

Our consolidated financial statements are appended at the end of this Annual Report, starting at page F-1, and are incorporated herein by reference.

Legal Proceedings

From time to time, we may become involved in litigation or other legal proceedings relating to claims arising from the ordinary course of business. We are currently not party to any legal proceedings that are likely to have a material adverse effect on our results of operations, financial condition or cash flows.

Dividend Distribution Policy

We have never declared or paid any dividends on any class of our issued share capital. We intend to retain any earnings for use in our business and do not currently intend to pay dividends on our ordinary shares. The declaration and payment of any future dividends will be at the discretion of our board of directors and will depend upon our results of operations, cash requirements, financial condition, contractual restrictions, any future debt agreements or applicable laws and other factors that our board of directors may deem relevant.

Under the laws of England and Wales, among other things, we may only pay dividends if we have sufficient distributable reserves (on a non-consolidated basis), which are our accumulated realized profits that have not been previously distributed or capitalized less our accumulated realized losses, so far as such losses have not been previously written off in a reduction or reorganization of capital. See “Description of Share Capital and Articles of Association” filed as Exhibit 2.3 to this report for additional information.

B. Significant Changes.

None.

ITEM 9: THE OFFER AND THE LISTING

A. Offer and Listing Details.

Our ADSs are listed on the Nasdaq Global Market under the symbol “SLN”.

B. Plan of Distribution.

Not applicable.

C. Markets.

Our ADSs are listed on The Nasdaq Global Market under the symbol “SLN”.

D. Selling Shareholders.

Not applicable.

E. Dilution.

Not applicable.

F. Expenses of the Issue.

Not applicable.

ITEM 10: ADDITIONAL INFORMATION

A. Share Capital.

Not applicable.

B. Memorandum and Articles of Association.

A copy of our Articles of Association is filed as Exhibit 1.1 to this Annual Report. The information called for by this Item is set forth in Exhibit 2.3 to this Annual Report and is incorporated by reference into this Annual Report.

C. Material Contracts.

Mallinckrodt License and Collaboration Agreement

In July 2019, we announced a strategic collaboration with Mallinckrodt to develop and commercialize RNAi drug targets designed to silence the complement cascade in complement-mediated disorders. Under the agreement, we granted Mallinckrodt an exclusive worldwide license to our C3 targeting program, SLN501, with options to license additional complement-mediated disease targets from us, with Mallinckrodt exercising two such targets in July 2020. We are responsible for preclinical activities, and for conducting the development program for each product until the end of phase 1 clinical trials, after which Mallinckrodt will assume clinical development and responsibility for global commercialization. In connection with the execution of the agreement, Mallinckrodt made an upfront cash payment to us of $20 million and purchased $5 million of our ordinary shares. We are eligible to receive up to $10 million in research milestone payments for each program, in addition to funding for phase 1 clinical development including GMP manufacturing. We will fund all other preclinical activities. We received a research milestone payment of $2 million in October 2019 upon the initiation of work under our work plan for a particular C3 target. In September 2020, we received another $2 million research milestone payment following the initiation of work on a second complement target. In March 2021, we initiated work on the third complement target which triggered another $2 million research milestone payment. In April 2021, we received another $2.0 million research milestone for the initiation of the toxicology study for the first identified target. The collaboration provides for potential additional development and regulatory milestone payments in aggregate of up to $100 million for the initial C3 target and up to $140 million for each of the two optioned complement-mediated disease targets, with such milestones relating to the initiation of specified clinical trials in specified jurisdictions, and upon the receipt of regulatory approvals by specified authorities, in each case for multiple indications. We are also eligible to receive potential commercial milestone payments of up to $562.5 million upon the achievement of specified levels of annual net sales of licensed products for each program. We are also eligible to receive tiered, low double-digit to high-teen percentage royalties on net sales for licensed products for each program.

The agreement will terminate on the last to expire royalty term, which is determined on a licensed product-by-licensed product and country-by-country basis, and is the later of (1) 10 years from the first commercial sale of the licensed product in the country, (2) the last to expire valid claim within the licensed patent in the country or (3) expiration of regulatory exclusivity granted by the prevailing governmental authority for the licensed product in the country. Mallinckrodt has the right to terminate the agreement in its entirety or on a target-by-target basis, for any

reason upon specified prior written notice to us. We may terminate the agreement in the event that Mallinckrodt begins a legal or administrative proceeding challenging the validity, ownership or enforceability of our patents. Either party may terminate the agreement upon a material breach by the other party that is not cured within a specified period after receiving written notice, or upon giving written notice following the other party's bankruptcy, insolvency or similar instance. If Mallinckrodt terminates the agreement with respect to a target after we have commenced a phase 1 trial of a product candidate directed to that target, then we would have the right to either complete or wind down the phase 1 trial, and Mallinckrodt would be responsible for our costs incurred through the date of termination.

In March 2023, the Company reacquired exclusive worldwide rights to two preclinical siRNA assets under its Mallinckrodt collaboration, which resulted in a modification of the agreement. No additional performance obligations were identified as a result of the modification as there were no additional goods or services to be provided by the Company and the modification resulted in the partially satisfied performance obligations relating to the two reacquired targets becoming fully satisfied as the Company was no longer obligated to develop these targets. SLN501, the C3 targeting program, remains under the original collaboration agreement. The Company has accounted for the modification as if it were part of the existing contract as the remaining services to be delivered form part of a single performance obligation that is partially satisfied at the date of contract modification. The effect of the contract modification was the consideration originally received for the two preclinical siRNA assets was reallocated to SLN501. The Company has recognized the effect of the contract modification on the measure of progress towards complete satisfaction of the performance obligation and recognized an adjustment to revenue at the date of the contract modification on a cumulative catch-up basis. In relation to the reacquired targets, the Company will potentially pay future success-based milestones and low single digit royalties on net sales if the projects advance. The Company will recognize these variable success-based milestones as an intangible asset at cost when triggered. Any royalties will be expensed in cost of sales.

AstraZeneca Research Collaboration, Option and License Agreement

We have also out-licensed the rights to some of our intellectual property associated with our siRNA stabilization chemistry technology to AstraZeneca in the context of a Research Collaboration, Option and License Agreement dated March 24, 2020, under which we and AstraZeneca will collaborate to discover, develop and commercialize siRNA therapeutics for the treatment of cardiovascular, renal, metabolic and respiratory diseases.

AstraZeneca agreed to make an upfront cash payment of $60 million, of which $20 million was paid in May 2020 and the remaining $40 million was paid in May 2021. AstraZeneca also made an equity investment of $20 million in us in March 2020. We anticipate initiating work on up to five targets in the early stages of the collaboration, with AstraZeneca having the option to extend the collaboration to a further five targets. AstraZeneca has agreed to pay us $10 million for each selected target at the point of candidate nomination.

Under the collaboration, we are responsible for designing siRNA molecules against gene targets selected by AstraZeneca, and for manufacturing of material to support GLP toxicology studies and phase 1 clinical trials. We and AstraZeneca will collaborate during the discovery phase, and AstraZeneca will lead clinical development and commercialization of molecules arising from the collaboration. We will have the option to negotiate for co-development of two programs beginning with phase 2 clinical trials.

For each target selected under the collaboration, we will be eligible to receive up to $140 million in milestone payments upon the achievement of milestones relating to initiation of specified clinical trials, the acceptance of specified regulatory filings and the first commercial sale in specified jurisdictions. For each target selected, we are also eligible to receive up to $250 million in sales-based milestone payments upon the achievement of specified annual net sales levels, as well as tiered royalties as a percentage of net sales ranging from the high single digits to the low double digits.

The agreement with AstraZeneca will expire on the last to expire royalty term, which is determined on a licensed product-by-licensed product and country-by-country basis, and is the later of (1) 10 years from the first commercial sale of the licensed product in the country, (2) the last to expire valid claim within the patent covering the composition of matter of the licensed compound contained in the licensed product in the country or (3) expiration of regulatory exclusivity granted by the prevailing governmental authority for the licensed product in the country. AstraZeneca has

the right to terminate the agreement in its entirety or on a target-by-target basis, for any reason upon specified prior written notice to us. We may terminate the agreement on a target-by-target basis in the event that AstraZeneca begins a legal or administrative proceeding challenging the patentability, validity, ownership or enforceability of our patents. Either party may terminate the agreement on a target-by-target basis upon a material breach by the other party that is not cured within a specified period after receiving written notice, or in its entirety upon giving written notice following the other party's bankruptcy, insolvency or similar instance.

Hansoh Research Collaboration, Option and License Agreement

On October 15, 2021, we entered into a collaboration agreement with Hansoh, one of the leading biopharmaceutical companies in China, to develop siRNAs for three undisclosed targets leveraging Silence's proprietary mRNAi GOLD™ platform.

Under the terms of the agreement, Hansoh has the exclusive option to license exclusive rights to the first two targets in Greater China, Hong Kong, Macau and Taiwan following the completion of phase 1 trials. We will retain exclusive rights for those two targets in all other territories. We are responsible for all activities up until Hansoh exercises its option and we will retain responsibility for development outside the China region post phase 1 trials. Hansoh also has the exclusive option to license exclusive global rights to a third target at the point of IND filing. Hansoh will be responsible for all development activities post option exercise for the third target.

Both parties agreed to not exploit any other RNAi molecule designed to inhibit a relevant licensed target for the duration of the agreement with Hansoh. In addition, both parties agreed to not sell, license or otherwise transfer, or permit to exist or grant a lien, encumbrance, mortgage on the licensed target related intellectual property if such transfer or encumbrance would conflict with the rights granted to Hansoh.

Pursuant to the agreement, Hansoh made a $16 million upfront payment to us in December 2021. For first two targets in Greater China, Hong Kong, Macau and Taiwan under the collaboration, we will be eligible to receive up to $37 million in milestone payments upon the achievement of milestones relating to initiation of specified clinical trials, the acceptance of specified regulatory filings and approval for sale in specified jurisdictions. For the global target, we are eligible to receive up to $81 million in milestone payments upon the achievement of milestones relating to initiation of specified clinical trials, the acceptance of specified regulatory filings and regulatory approval in multiple geographies. For each target selected, we are also eligible to receive up to $367.5 million in sales-based milestone payments upon the achievement of specified annual net sales levels, as well as tiered low double-digit royalties as a percentage of net sales.

The agreement with Hansoh will expire on the last to expire royalty term, which is determined on a licensed product-by-licensed product and country-by-country basis, and is the later of (1) a certain number of years from the first commercial sale of the licensed product in the country, (2) the last to expire valid claim within the patent covering the composition of matter of the licensed compound contained in the licensed product in the country or (3) expiration of regulatory exclusivity granted by the prevailing governmental authority for the licensed product in the country. Hansoh has the right to terminate the agreement in its entirety after the option exercise date with respect to any licensed target in its entirety or on a country-by-country basis, for any or no reason, upon prior written notice to us. Hansoh also has the right to terminate the agreement with respect to any licensed target in its entirety or on a country-by-country basis prior to the option exercise date with respect to such licensed target, together with the associated research plan, or, in the case of termination of a licensed target in one or more, but not all, countries, the components of the associated research plan applicable solely to such terminated countries, for any or no reason, upon a shorter period of prior written notice to us if no IND has been filed in respect of a licensed product directed to the relevant licensed target and on a longer period of prior written notice to us if an IND has been filed. or on a target-by-target basis, for any reason upon specified prior written notice to us. We may terminate the agreement on a target-by-target basis in the event that Hansoh begins a legal or administrative proceeding challenging the patentability, validity, ownership or enforceability of our patents. Either party may terminate the agreement on a target-by-target basis upon a material breach by the other party that is not cured within a specified period after receiving written notice, or in its entirety upon giving written notice following the other party's bankruptcy, insolvency or similar instance.

Lease

We lease office space in London, England for our corporate headquarters and general and administrative functions under a lease with a term through September 2025. We also lease regional offices and laboratory space in Berlin, Germany and Hoboken, New Jersey.

We believe that our current facilities are adequate to meet our needs for the near future and that suitable additional or alternative space will be available on commercially reasonable terms to accommodate our foreseeable future operations.

D. Exchange Controls.

There are no governmental laws, decrees, regulations or other legislation in the United Kingdom that may affect the import or export of capital, including the availability of cash and cash equivalents for use by us, or that may affect the remittance of dividends, interest, or other payments by us to non-resident holders of our ordinary shares or ADSs representing our ordinary shares, other than withholding tax requirements. There is no limitation imposed by the laws of England and Wales or in the Articles on the right of non-residents to hold or vote our shares.

E. Taxation

The following summary contains a description of material U.K. and U.S. federal income tax consequences of the acquisition, ownership and disposition of our ordinary shares or ADSs. This summary should not be considered a comprehensive description of all the tax considerations that may be relevant to the decision to acquire ADSs representing our ordinary shares.

Material U.S. Federal Income Tax Considerations for U.S. Holders

The following is a description of the material U.S. federal income tax consequences to the U.S. Holders described below of owning and disposing of our ordinary shares or ADSs. It is not a comprehensive description of all tax considerations that may be relevant to a particular person's decision to acquire securities. This discussion applies only to a U.S. Holder that holds our ordinary shares or ADSs as a capital asset for tax purposes (generally, property held for investment). In addition, it does not describe all of the tax consequences that may be relevant in light of a U.S. Holder's particular circumstances, including state and local tax consequences, estate tax consequences, alternative minimum tax consequences, the potential application of the Medicare contribution tax, the special tax accounting rules in Section 451(b) of the Code, and tax consequences applicable to U.S. Holders subject to special rules, such as:

- banks, insurance companies, and certain other financial institutions;
- U.S. expatriates and certain former citizens or long-term residents of the United States;
- dealers or traders in securities who use a mark-to-market method of tax accounting;
- persons holding ordinary shares or ADSs as part of a hedging transaction, "straddle," wash sale, conversion transaction or integrated transaction or persons entering into a constructive sale with respect to ordinary shares or ADSs;
- persons whose "functional currency" for U.S. federal income tax purposes is not the U.S. dollar;
- brokers, dealers or traders in securities, commodities or currencies;
- tax-exempt entities or government organizations;
- S corporations, partnerships, or other entities or arrangements classified as partnerships for U.S. federal income tax purposes (and investors therein);

- regulated investment companies or real estate investment trusts;
- persons who acquired our ordinary shares or ADSs pursuant to the exercise of any employee stock option or otherwise as compensation;
- corporations that accumulate earnings to avoid U.S. federal income tax;
- persons that own or are deemed to own ten percent or more of our shares (by vote or value); and
- persons holding our ordinary shares or ADSs in connection with a trade or business, permanent establishment, or fixed base outside the United States.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds ordinary shares or ADSs, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships (including any entity or arrangement treated as a partnership for United States federal income tax purposes) holding ordinary shares or ADSs and partners in such partnerships are encouraged to consult their tax advisers as to the particular U.S. federal income tax consequences of holding and disposing of ordinary shares or ADSs.

The discussion is based on the Code, administrative pronouncements, judicial decisions, final, temporary and proposed Treasury Regulations, and the income tax treaty between the United Kingdom and the United States, or the Treaty, all as of the date hereof, changes to any of which may affect the tax consequences described herein — possibly with retroactive effect.

A "U.S. Holder" is a holder who, for U.S. federal income tax purposes, is a beneficial owner of ordinary shares or ADSs who is eligible for the benefits of the Treaty and is:

(1) a citizen or individual resident of the United States;

(2) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia;

(3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

(4) a trust if (a) a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have authority to control all substantial decisions of the trust or (b) the trust has a valid election to be treated as a U.S. person under applicable U.S. Treasury Regulations.

U.S. Holders are encouraged to consult their tax advisers concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of our ordinary shares or ADSs in their particular circumstances.

The discussion below assumes that the representations contained in the deposit agreement are true and that the obligations in the deposit agreement and any related agreement will be complied with in accordance with their terms. Generally, a holder of an ADS should be treated for U.S. federal income tax purposes as holding the ordinary shares represented by the ADS. Accordingly, generally no gain or loss will be recognized upon an exchange of ADSs for ordinary shares.

Passive Foreign Investment Company Rules

A non-U.S. corporation will be classified as a PFIC for any taxable year in which, after applying certain look-through rules, either:

- at least 75% of its gross income is passive income (such as interest income); or

- at least 50% of its gross assets (determined on the basis of a quarterly average) is attributable to assets that produce passive income or are held for the production of passive income (including cash).

For purposes of this test, we will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation, the equity of which we own, directly or indirectly, 25% or more (by value).

We do not believe we were a PFIC for our taxable year ended December 31, 2023. Regardless, no assurances regarding our PFIC status can be provided for any past, current or future taxable year. The determination of whether we are a PFIC is a fact-intensive determination made on an annual basis and the applicable law is subject to varying interpretation. In particular, the characterization of our assets as active or passive may depend in part on our current and intended future business plans, which are subject to change. In addition, the total value of our assets for PFIC testing purposes may be determined in part by reference to the market price of our ordinary shares or ADSs from time to time, which may fluctuate considerably. Under the income test, our status as a PFIC depends on the composition of our income which will depend on a variety of factors that are subject to uncertainty, including the characterization of certain intercompany payments and payments from tax authorities, transactions we enter into in the future and our corporate structure. Even if we determine that we are not a PFIC for a taxable year, there can be no assurance that the IRS would not successfully challenge our position. Accordingly, our U.S. counsel expresses no opinion with respect to our PFIC status for any prior, current or future taxable year.

If we are classified as a PFIC in any year with respect to which a U.S. Holder owns the ordinary shares or ADSs, we will continue to be treated as a PFIC with respect to such U.S. Holder in all succeeding years during which the U.S. Holder owns the ordinary shares or ADSs, regardless of whether we continue to meet the tests described above unless we cease to be a PFIC and the U.S. Holder has made a "deemed sale" election under the PFIC rules. If such a deemed sale is made, a U.S. Holder will be deemed to have sold the ordinary shares or ADSs the U.S. Holder holds at their fair market value on the last day of the last taxable year for which we are a PFIC, and any gain from such deemed sale would be subject to the excess distribution rules described below. After the deemed sale election, so long as we do not become a PFIC in a subsequent taxable year, the U.S. Holder's ordinary shares or ADSs with respect to which such election was made will not be treated as shares in a PFIC and the U.S. Holder will not be subject to the rules described below with respect to any "excess distribution" the U.S. Holder receives from us or any gain from an actual sale or other disposition of the ordinary shares or ADSs. U.S. Holders should consult their tax advisers as to the possibility and consequences of making a deemed sale election if we cease to be a PFIC and such election becomes available.

For each taxable year we are treated as a PFIC with respect to U.S. Holders, U.S. Holders will be subject to special tax rules with respect to any "excess distribution" such U.S. Holder receives and any gain such U.S. Holder recognizes from a sale or other disposition (including a pledge) of ordinary shares or ADSs, unless (1) such U.S. Holder makes a "qualified electing fund" election, or QEF Election, with respect to all taxable years during such U.S. Holder's holding period in which we are a PFIC, or (2) our ordinary shares or ADSs constitute "marketable stock" and such U.S. Holder makes a mark-to-market election (as discussed below). Distributions a U.S. Holder receives in a taxable year that are greater than 125% of the average annual distributions a U.S. Holder received during the shorter of the three preceding taxable years or the U.S. Holder's holding period for the ordinary shares or ADSs will be treated as an excess distribution. Under these special tax rules:

- the excess distribution or gain will be allocated ratably over a U.S. Holder's holding period for the ordinary shares or ADSs;

- the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which we became a PFIC, will be treated as ordinary income; and

- the amount allocated to each other year will be subject to the highest tax rate in effect for that year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

The tax liability for amounts allocated to years prior to the year of disposition or "excess distribution" cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale of the ordinary shares or ADSs cannot be treated as capital gains, even if a U.S. Holder holds the ordinary shares or ADSs as capital assets.

If we are a PFIC, a U.S. Holder will generally be subject to similar rules with respect to distributions we receive from, and our dispositions of the stock of, any of our direct or indirect subsidiaries that also are PFICs, as if such distributions were indirectly received by, and/or dispositions were indirectly carried out by, such U.S. Holder. U.S. Holders should consult their tax advisers regarding the application of the PFIC rules to our subsidiaries.

If a U.S. Holder makes an effective QEF Election, the U.S. Holder will be required to include in gross income each year, whether or not we make distributions, as capital gains, such U.S. Holder's pro rata share of our net capital gains and, as ordinary income, such U.S. Holder's pro rata share of our earnings in excess of our net capital gains. However, a U.S. Holder can only make a QEF Election with respect to ordinary shares or ADSs in a PFIC if such company agrees to furnish such U.S. Holder with certain tax information annually. We do not currently expect to provide such information in the event that we are classified as a PFIC.

U.S. Holders can avoid the interest charge on excess distributions or gain relating to our ordinary shares or ADSs by making a mark-to-market election with respect to the ordinary shares or ADSs, provided that the ordinary shares or ADSs are "marketable stock." Ordinary shares or ADSs will be marketable stock if they are "regularly traded" on certain U.S. stock exchanges or on a non-U.S. stock exchange that meets certain conditions. For these purposes, the ordinary shares or ADSs will be considered regularly traded during any calendar year during which they are traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. Any trades that have as their principal purpose meeting this requirement will be disregarded. Our ADSs are listed on Nasdaq, which is a qualified exchange for these purposes. Consequently, if our ADSs are listed on Nasdaq and are regularly traded, and you are a holder of ADSs, we expect the mark-to-market election would be available to U.S. Holders if we are a PFIC. Each U.S. Holder should consult its tax advisor as to the whether a mark-to-market election is available or advisable with respect to the ordinary shares or ADSs.

A U.S. Holder that makes a mark-to-market election must include in ordinary income for each year an amount equal to the excess, if any, of the fair market value of our ordinary shares or ADSs at the close of the taxable year over the U.S. Holder's adjusted tax basis in the ordinary shares or ADSs. An electing holder may also claim an ordinary loss deduction for the excess, if any, of the U.S. Holder's adjusted basis in the ordinary shares or ADSs over the fair market value of the ordinary shares or ADSs at the close of the taxable year, but this deduction is allowable only to the extent of any net mark-to-market gains for prior years. Gains from an actual sale or other disposition of the ordinary shares or ADSs will be treated as ordinary income, and any losses incurred on a sale or other disposition of the shares will be treated as an ordinary loss to the extent of any net mark-to-market gains for prior years. Once made, the election cannot be revoked without the consent of the IRS unless the ordinary shares or ADSs cease to be marketable stock.

However, a mark-to-market election generally cannot be made for equity interests in any lower-tier PFICs that we own, unless shares of such lower-tier PFIC are themselves "marketable stock." As a result, even if a U.S. Holder validly makes a mark-to-market election with respect to our ordinary shares or ADSs, the U.S. Holder may continue to be subject to the PFIC rules (described above) with respect to its indirect interest in any of our investments that are treated as an equity interest in a PFIC for U.S. federal income tax purposes. U.S. Holders should consult their tax advisers as to the availability and desirability of a mark-to-market election, as well as the impact of such election on interests in any lower-tier PFICs.

Unless otherwise provided by the U.S. Treasury, each U.S. shareholder of a PFIC is required to file an annual report containing such information as the U.S. Treasury may require. A U.S. Holder's failure to file the annual report will cause the statute of limitations for such U.S. Holder's U.S. federal income tax return to remain open with regard to the items required to be included in such report until three years after the U.S. Holder files the annual report, and, unless such failure is due to reasonable cause and not willful neglect, the statute of limitations for the U.S. Holder's entire U.S. federal income tax return will remain open during such period. U.S. Holders should consult their tax advisers regarding the requirements of filing such information returns under these rules.

Taxation of Distributions

Subject to the discussion above under "Passive Foreign Investment Company Rules," distributions paid on ordinary shares or ADSs, other than certain pro rata distributions of ordinary shares or ADSs, will generally be treated as dividends to the extent paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because we may not calculate our earnings and profits under U.S. federal income tax principles, we expect that distributions generally will be reported to U.S. Holders as dividends. Subject to applicable limitations, dividends paid to certain non-corporate U.S. Holders may be taxable at preferential rates applicable to "qualified dividend income." However, the qualified dividend income treatment may not apply if we are treated as a PFIC with respect to the U.S. Holder. The amount of the dividend will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Dividends will generally be included in a U.S. Holder's income on the date of the U.S. Holder's receipt of the dividend. The amount of any dividend income paid in foreign currency will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt. Such gain or loss would generally be treated as U.S.-source ordinary income or loss. The amount of any distribution of property other than cash (and other than certain pro rata distributions of ordinary shares or ADSs or rights to acquire ordinary shares or ADSs) will be the fair market value of such property on the date of distribution. For foreign tax credit purposes, our dividends will generally be treated as passive category income.

Sale or Other Taxable Disposition of Ordinary Shares and ADSs

Subject to the discussion above under "Passive Foreign Investment Company Rules," gain or loss realized on the sale or other taxable disposition of ordinary shares or ADSs will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the ordinary shares or ADSs for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's tax basis in the ordinary shares or ADSs disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

If the consideration received by a U.S. Holder is not paid in U.S. dollars, the amount realized will be the U.S. dollar value of the payment received determined by reference to the spot rate of exchange on the date of the sale or other disposition. However, if the ordinary shares or ADSs are treated as traded on an "established securities market" and you are either a cash basis taxpayer or an accrual basis taxpayer that has made a special election (which must be applied consistently from year to year and cannot be changed without the consent of the IRS), you will determine the U.S. dollar value of the amount realized in a non-U.S. dollar currency by translating the amount received at the spot rate of exchange on the settlement date of the sale. If you are an accrual basis taxpayer that is not eligible to or does not elect to determine the amount realized using the spot rate on the settlement date, you will recognize foreign currency gain or loss to the extent of any difference between the U.S. dollar amount realized on the date of sale or disposition and the U.S. dollar value of the currency received at the spot rate on the settlement date.

WE STRONGLY URGE YOU TO CONSULT YOUR TAX ADVISOR REGARDING THE IMPACT OF OUR PFIC STATUS ON YOUR INVESTMENT IN THE ORDINARY SHARES OR ADSs AS WELL AS THE APPLICATION OF THE PFIC RULES TO YOUR INVESTMENT IN THE ORDINARY SHARES OR ADSs.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the IRS.

Information with Respect to Foreign Financial Assets

Certain U.S. Holders who are individuals (and, under proposed regulations, certain entities) may be required to report information relating to the ordinary shares or ADSs, subject to certain exceptions (including an exception for ordinary shares or ADSs held in accounts maintained by certain U.S. financial institutions). U.S. Holders should consult their tax advisers regarding their reporting obligations with respect to their ownership and disposition of the ordinary shares or ADSs.

F. Dividends and Paying Agents.

Not applicable.

G. Statement by Experts.

Not applicable.

H. Documents on Display.

We maintain a corporate website at *www.silence-therapeutics.com*. Information contained in, or that can be accessed through, our website is not a part of, and shall not be incorporated by reference into, this Annual Report. We have included our website address in this report solely as an inactive textual reference. We make available free of charge on our website our Reports on Form 6-K, our Annual Reports on Form 20-F, and any other reports that we file or furnish with the SEC.

The SEC also maintains a website at *www.sec.gov* that contains reports, proxy and information statements and other information regarding issuers that file electronically, such as us, with the SEC.

References made in this Annual Report to any contract or certain other document are not necessarily complete and you should refer to the exhibits attached or incorporated by reference into this Annual Report for copies of the actual contract or document.

I. Subsidiary Information.

Not applicable.

ITEM 11: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk arises from our exposure to fluctuation in interest rates and currency exchange rates. These risks are managed by maintaining an appropriate mix of cash deposits in the two main currencies we operate in, placed with a variety of financial institutions for varying periods according to expected liquidity requirements.

Credit and Liquidity Risk

Our cash, cash equivalents and U.S. Treasury Bills are on deposit with two financial institutions, one in the US and one in the UK, which management believes are of high credit quality. Such deposits may, at times, exceed federally insured limits. We invest our liquid resources based on the expected timing of expenditures to be made in the ordinary course of our activities. All financial liabilities are payable in the short term, meaning no more than three months, and we maintain adequate bank balances in either instant access or short-term deposits to meet those liabilities as they fall due. We do not believe we had any credit risk relating to our trade receivables as of December 31, 2023, 2022 and 2021, which consisted solely of amounts due from AstraZeneca, Mallinckrodt and Alnylam.

Currency Risk

The consolidated financial statements are presented in U.K. pounds sterling. The individual financial statements of each Group entity are prepared in the currency of the primary economic environment in which the entity operates

(its functional currency). Our transactions are commonly denominated in U.K pounds sterling, however, we receive payments under our collaboration agreements in U.S. dollars and we incur a portion of our expenses in other currencies, primarily Euros, and are exposed to the effects of these exchange rates. We seek to minimize this exposure by maintaining currency cash balances at levels appropriate to meet foreseeable short to mid-term expenses in these other currencies. Where significant foreign currency cash receipts are expected, we consider the use of forward exchange contracts to manage our exchange rate exposure.

Interest Rate Risk

As of December 31, 2023, we had cash and cash equivalents of £54.0 million. Our exposure to interest rate sensitivity is impacted primarily by changes in the underlying U.K. and U.S. bank interest rates. Our surplus cash and cash equivalents are invested in interest-bearing savings accounts and certificates of deposit from time to time. During the years ended December 31, 2023, 2022 and 2021, we have not entered into investments for trading or speculative purposes. Due to the conservative nature of our investment portfolio, which is predicated on capital preservation of investments with short-term maturities, we do not expect our operating results or cash flows to be significantly affected by changes in market interest rates.

See note 29 to our consolidated financial statements for quantitative disclosures about market risk.

ITEM 12: DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities.

Not applicable.

B. Warrants and Rights.

Not applicable.

C. Other Securities.

Not applicable.

D. American Depositary Shares.

Fees and Expenses

Persons depositing or withdrawing ordinary shares or ADS holders must pay:	**For:**
$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)	Issuance of ADSs, including issuances resulting from a distribution of ordinary shares or rights or other property Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates
$.05 (or less) per ADS	Any cash distribution to ADS holders
A fee equivalent to the fee that would be payable if securities distributed to you had been ordinary shares and the ordinary shares had been deposited for issuance of ADSs	Distribution of securities distributed to holders of deposited securities (including rights) that are distributed by the depositary to ADS holders

$.05 (or less) per ADS per calendar year	Depositary services
Registration or transfer fees	Transfer and registration of ordinary shares on our share register to or from the name of the depositary or its agent when you deposit or withdraw ordinary shares
Expenses of the depositary	Cable (including SWIFT) and facsimile transmissions (when expressly provided in the deposit agreement) Converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian has to pay on any ADSs or ordinary shares underlying ADSs, such as stock transfer taxes, stamp duty or withholding taxes	As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	As necessary

The depositary collects its fees for delivery and surrender of ADSs directly from investors depositing ordinary shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deduction from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may collect any of its fees by deduction from any cash distribution payable (or by selling a portion of securities or other property distributable) to ADS holders that are obligated to pay those fees. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

From time to time, the depositary may make payments to us to reimburse us for costs and expenses generally arising out of establishment and maintenance of the ADS program, waive fees and expenses for services provided to us by the depositary or share revenue from the fees collected from ADS holders. In performing its duties under the deposit agreement, the depositary may use brokers, dealers, foreign currency dealers or other service providers that are owned by or affiliated with the depositary and that may earn or share fees, spreads or commissions.

The depositary may convert currency itself or through any of its affiliates, or the custodian or we may convert currency and pay U.S. dollars to the depositary. Where the depositary converts currency itself or through any of its affiliates, the depositary acts as principal for its own account and not as agent, advisor, broker or fiduciary on behalf of any other person and earns revenue, including, without limitation, transaction spreads, that it will retain for its own account. The revenue is based on, among other things, the difference between the exchange rate assigned to the currency conversion made under the deposit agreement and the rate that the depositary or its affiliate receives when buying or selling foreign currency for its own account. The depositary makes no representation that the exchange rate used or obtained by it or its affiliate in any currency conversion under the deposit agreement will be the most favorable rate that could be obtained at the time or that the method by which that rate will be determined will be the most favorable to ADS holders, subject to the depositary's obligation to act without negligence or bad faith. The methodology used to determine exchange rates used in currency conversions made by the depositary is available upon request.

Where the custodian converts currency, the custodian has no obligation to obtain the most favorable rate that could be obtained at the time or to ensure that the method by which that rate will be determined will be the most favorable to ADS holders, and the depositary makes no representation that the rate is the most favorable rate and will not be liable for any direct or indirect losses associated with the rate. In certain instances, the depositary may receive dividends or other distributions from the us in U.S. dollars that represent the proceeds of a conversion of foreign currency or translation from foreign currency at a rate that was obtained or determined by us and, in such cases, the depositary will not engage in, or be responsible for, any foreign currency transactions and neither it nor we make any

representation that the rate obtained or determined by us is the most favorable rate and neither it nor we will be liable for any direct or indirect losses associated with the rate.

Payment of Taxes

You will be responsible for any taxes or other governmental charges payable on your ADSs or on the deposited securities represented by any of your ADSs. The depositary may refuse to register any transfer of your ADSs or allow you to withdraw the deposited securities represented by your ADSs until those taxes or other charges are paid. It may apply payments owed to you or sell deposited securities represented by your ADSs to pay any taxes owed and you will remain liable for any deficiency. If the depositary sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to ADS holders any proceeds, or send to ADS holders any property, remaining after it has paid the taxes.

Description of ADSs

See Exhibit 2.4 for a description of the terms of our ADSs.

PART II

ITEM 13: DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14: MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

A. None

B. None

C. None

D. None

E. None.

ITEM 15: CONTROLS AND PROCEDURES

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Disclosure Controls and Procedures.

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a- 15(e) and 15d- 15(e) under the Exchange Act), as of the end of the period covered by this Annual Report. Based on such evaluation, our principal executive officer and principal financial officer have concluded that as of December 31, 2023, our disclosure controls and procedures were effective at the reasonable assurance level.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over our financial reporting, as such term is defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act.

Our management, including the chief executive officer and chief financial officer, conducted an assessment of the effectiveness of our internal control over financial reporting based on the criteria set forth in "Internal Control – Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on this assessment, our management, including the chief executive officer and chief financial officer, concluded that, as of December 31, 2023, our internal control over financial reporting was effective.

Attestation Report of the Registered Public Accounting Firm

None.

Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to rules of the SEC that permit the Company to provide only management's report in this annual report.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the period covered by this Annual Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16A: AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that Dave Lemus qualifies as an audit committee financial expert as defined by the rules of the SEC and has the requisite financial sophistication under the applicable rules and regulations of Nasdaq. Mr. Lemus is independent as such term is defined in Rule 10A-3 under the Exchange Act and under the listing standards of Nasdaq.

ITEM 16B: CODE OF ETHICS

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics that is applicable to all of our employees, executive officers, including our principal executive, principal financial and principal accounting officers, members of our board of directors, and consultants. The Code of Business Conduct and Ethics is available on our website at www.silence-therapeutics.com. The information and other content on our website are not part of this Annual Report and our website address is included in this Annual Report as an inactive textual reference only.

We intend to satisfy the disclosure requirement under Item 16B(d) and (e) of Form 20-F regarding amendment to, or waiver from, a provision of our Code of Business Conduct and Ethics, as well as Nasdaq's requirement to disclose waivers with respect to directors and executive officers, by posting such information in the "Investors" section of our website at www.silence-therapeutics.com. Our executive officers are responsible for administering the Code of Business Conduct and Ethics. Amendment, alteration or termination of the Code of Business Conduct and Ethics requires the approval of our board of directors.

ITEM 16C: PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table summarizes the fees of PricewaterhouseCoopers LLP, our independent registered public accounting firm, billed to us for each of the last two fiscal years for audit and other services:

	2023	2022
Fee Category	**£'000s**	£'000s
Audit Fees	576	463
Audit Related Fees	222	150
Tax	-	-
Other Services	-	-
Total Fees	798	613

Audit Fees

For the years ended December 31, 2023 and 2022, audit services includes fees for the year end as well as quarterly interim reviews in 2023.

Audit Related Fees

For the years ended December 31, 2023 and 2022, audit related services are associated with registration statements and offerings.

Tax Fees

We did not incur any tax fees for services from PricewaterhouseCoopers LLP in 2023 and 2022.

All Other Fees

We did not incur any other fees for services from PricewaterhouseCoopers LLP in 2023 and 2022.

Audit Committee Pre-Approval Policy and Procedures

All of the fees described above were pre-approved by the Audit and Risk Committee.

Our Audit and Risk Committee's specific responsibilities in carrying out its oversight of the quality and integrity of the accounting, auditing and reporting practices of the Company include the approval of audit and non-audit services to be provided by the external auditor. The Audit and Risk Committee approves in advance the particular services or categories of services to be provided to the Company during the following yearly period and also sets forth a specific budget for such audit services. All non-audit services are pre-approved by the audit committee.

ITEM 16D: EXEMPTIONS FORM THE LISTING STANDARDS FOR AUDIT COMMITTEES

None

ITEM 16E: PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

None.

ITEMS 16F: CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

There has been no change in our independent certifying accountant during our two most recent fiscal years.

ITEM 16G: CORPORATE GOVERNANCE

We are a "foreign private issuer," as defined by the SEC. As a result, in accordance with Nasdaq rules, we comply with certain home country governance requirements and certain exemptions thereunder rather than complying with Nasdaq corporate governance standards, and we comply with periodic report filing requirements under the Exchange Act applicable to foreign private issuers rather than domestic issuers. We currently avail ourselves of the following limited exemptions under such rules pertaining to foreign private issuers:

- Exemption from filing quarterly reports on Form 10-Q containing unaudited financial and other specified information or current reports on Form 8-K upon the occurrence of specified significant events;
- Exemption from Section 16 under the Exchange Act, which requires insiders to file public reports of their securities ownership and trading activities and provides for liability for insiders who profit from trades in a short period of time;
- Exemption from the Nasdaq rules applicable to domestic issuers requiring disclosure within four business days of any determination to grant a waiver of the code of business conduct and ethics to directors and officers;
- Exemption from the requirement to obtain shareholder approval for certain issuances of securities, including shareholder approval of share option plans;
- Exemption from the requirement that our audit committee have review and oversight responsibilities over all "related party transactions," as defined in Item 7.B of Form 20-F;

- Exemption from the requirement that our board have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and

- Exemption from the requirements that director nominees are selected, or recommended for selection by our board, either by (1) independent directors constituting a majority of our board's independent directors in a vote in which only independent directors participate, or (2) a committee comprised solely of independent directors, and that a formal written charter or board resolution, as applicable, addressing the nominations process is adopted.

Furthermore, Nasdaq Rule 5615(a)(3) provides that a foreign private issuer, such as us, may rely on home country corporate governance practices in lieu of certain of the rules in the Nasdaq Rule 5600 Series and Rule 5250(d), provided that we nevertheless comply with Nasdaq's Notification of Noncompliance requirement (Rule 5625), the Voting Rights requirement (Rule 5640) and that we have an audit committee that satisfies Rule 5605(c)(3), consisting of committee members that meet the independence requirements of Rule 5605(c)(2)(A)(ii).

Nasdaq Diversity Disclosure

Board Diversity Matrix (As of March 1, 2023)

Country of Principal Executive Offices:	United Kingdom
Foreign Private Issuer:	Yes
Disclosure Prohibited under Home Country Law:	No
Total Number of Directors:	6

Part I: Gender Identity	Female	Male	Non-Binary	Did Not Disclose Gender
Directors	-	6	-	-
Part II: Demographic Background				
Underrepresented Individual in Home Country Jurisdiction	-	1	-	-
LGBTQ+	-	-	-	-
Did Not Disclose Demographic Background	-	-	-	-

ITEM 16H: MINE SAFETY DISCLOSURE

None

ITEM 16I: DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable

ITEM 16J: INSIDER TRADING POLICIES

Not applicable

ITEM 16K: CYBERSECURITY

Risk management and strategy

We have implemented and maintain various information security processes designed to identify, assess, and manage material risks from cybersecurity threats to our critical computer networks, third party hosted services, communications systems, hardware and software, and our critical data, including intellectual property, confidential information that is proprietary, strategic or competitive in nature, and our clinical trial and related data ("Information Systems and Data").

Our information security function, which is led by our Vice President and Head of Information Technology (Head of IT) and supported by our security management, risk management, and legal teams, helps identify, assess, and manage the Company's cybersecurity threats and risks, including through the use of the Company's risk register. The information security function identifies and assesses cybersecurity threats and risks by monitoring and evaluating the Company's threat environment and risk profile using various methods including, for example: automated tools, subscribing to reports and services that identify cybersecurity threats, analyzing reports of threats, evaluating threats reported to us, coordinating with law enforcement concerning threats, internal and external audits, leveraging internal and third party threat assessments, conducting vulnerability identification assessments, and leveraging external threat intelligence.

Depending on the environment or system, we implement and maintain various technical, physical, and organizational measures, processes, standards and policies designed to manage and mitigate material risks from cybersecurity threats to our Information Systems and Data, including, for example: incident detection and response, vulnerability management, disaster recovery and business continuity plans, risk assessments, achievement of certain security certifications, encryption of certain data, network security controls, data segregation for certain data, access controls, physical controls, systems monitoring, employee training, penetration testing, and asset management and disposal.

Certain information about our assessment and management of material risks from cybersecurity threats is included in risk management reports as applicable to senior leadership and the audit committee.

We use third-party service providers to assist us from time to time to identify, assess, and manage material risks from cybersecurity threats, including for example: threat intelligence providers, cybersecurity consultants and software providers, managed cybersecurity service providers, and penetration testing service providers.

We use third-party service providers to perform a variety of functions throughout our business, such as software-as-a-service providers, hosting companies, contract research organizations, and contract manufacturing organizations. Depending on the nature of the services provided, the sensitivity of the critical systems, information and assets at issue, and the identity of the provider, we may conduct a review of security assessments provided by the vendor, review the vendor's written security program and/or requested security assessment and security questionnaire responses, and impose contractual obligations on vendors regarding their cybersecurity practices.

For a description of the risks from cybersecurity threats that may materially affect the Company and how they may do so, see our risk factors under Part 1. Item 3. Section D Risk Factors in this Annual Report on Form 20-F, including "Cybersecurity risks and the failure to maintain the confidentiality, integrity, and availability of our computer hardware, software, and internet applications and related tools and functions could result in damage to our reputation and/or subject us to costs, fines or lawsuits."

Governance

Our board of directors addresses the Company's IT and cybersecurity risk management as part of its general oversight function. The board of directors' audit and risk committee is responsible for overseeing the Company's cybersecurity risk management processes.

Our cybersecurity risk assessment and management processes are implemented and maintained by our Head of IT, who has achieved ACC Internetworking Engineer and Global Secure Systems Internetworking Engineer

qualifications and has over 25 years of experience leading international IT departments and owning responsibility for organizations' cybersecurity efforts.

Our Head of IT is responsible for hiring appropriate personnel, helping to integrate cybersecurity risk considerations into the Company's overall risk management strategy, and communicating key priorities to relevant personnel. Our Head of IT is also responsible for approving budgets, helping prepare for cybersecurity incidents, approving cybersecurity processes, and reviewing security assessments and other security-related reports.

Our cybersecurity incident processes are designed to escalate certain cybersecurity incidents to members of management depending on the circumstances, including the Executive Leadership Team ("ELT"). The ELT works with the Company's incident response team to help the Company mitigate and remediate cybersecurity incidents of which they are notified, in addition to notifying the audit and risk committee of the board of directors, as appropriate.

The board of directors' audit and risk committee receives annual reports from our Head of IT, concerning the Company's significant cybersecurity threats and risk and the processes the Company has implemented to address them. The audit and risk committee also has access to various reports, summaries or presentations related to cybersecurity threats, risk, and mitigation.

PART III

ITEM 17: FINANCIAL STATEMENTS

We have elected to provide financial statements pursuant to Item 18.

ITEM 18: FINANCIAL STATEMENTS

The financial statements required under this Item 18 are filed as part of this Annual Report beginning on page F-1. The audit report of PricewaterhouseCoopers LLP, independent registered public accounting firm, is included herein preceding the financial statements.

ITEM 19: EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference to Filings Indicated				Filed / Furnished Herewith
		Form	File No.	Exhibit No.	Filing date	
1.1	Amended and Restated Articles of Association	S-8	333-273576	4.1	8/1/2023	
2.1*	Deposit Agreement, by and among the registrant and The Bank of New York Mellon and the Owners and Holders of American Depositary Shares, dated September 4, 2020	F-1	333-254021	4.1	3/9/2021	
2.2	Form of American Depositary Receipt	424B3	333-248217		9/4/2020	
2.3	Description of Share Capital and Articles of Association					X
2.4	Description of American Depositary Shares	20-F	001-39487	2.4	3/15/2023	-
4.1#	Silence Therapeutics plc 2018 Long-Term Incentive Plan	F-1	333-248203	10.1	8/20/2020	
4.2#	Silence Therapeutics plc 2018 Non-Employee Long-Term Incentive Plan	F-1	333-248203	10.2	8/20/2020	
4.3#	Employee U.S. Sub-Plan under the 2018 Employee Long-Term Incentive Plan	F-1	333-248203	10.3	8/20/2020	
4.4#	Non-Employee U.S. Sub-Plan under the 2018 Non-Employee Long-Term Incentive Plan	F-1	333-248203	10.4	8/20/2020	
4.5†+	License and Collaboration Agreement, by and between the registrant and Mallinckrodt Pharma IP Trading DAC, dated July 18, 2019	F-1	333-248203	10.5	8/20/2020	
4.6†+	Research Collaboration, Option and License Agreement, by and between the registrant and AstraZeneca AB, dated March 24, 2020	F-1	333-248203	10.6	8/20/2020	
4.7†+	Exclusive Research Collaboration, Option and License Agreement by and between the registrant and Hansoh (Shanghai) Healthtech Co., Ltd. and Jiangsu Hansoh Pharmaceutical Group Company Limited, dated October 14, 2021	20-F	001-39487	4.7	3/15/2023	-
4.8	Form of Deed of Indemnity between the registrant and its directors	F-1	333-248203	10.7	8/20/2020	
4.9	Form of Deed of Indemnity between the registrant and its executive officers	F-1	333-248203	10.8	8/20/2020	
4.10	2023 Equity Incentive Plan with Non-Employee Sub-Plan and CSOP Plan					X
8.1	Subsidiaries of the Registrant	F-1	333-248203	21.1	8/20/2020	

12.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer	X
12.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer	X
13.1	Section 1350 Certification of Chief Executive Officer	X
13.2	Section 1350 Certification of Chief Financial Officer	X
15.1	Consent of PricewaterhouseCoopers LLP	X
97.1	Silence Therapeutics plc Compensation Clawback Policy	X
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.	X
101.SCH	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents	X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).	X

* Exhibit 2.1 excludes Exhibit A thereto which was revised as set forth in Exhibit 2.2 listed above.
# Indicates management contract or compensatory plan.
† Portions of this exhibit (indicated by asterisks) have been omitted because the registrant has determined they are not material and would likely cause competitive harm to the registrant if publicly disclosed.
+ Certain schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant hereby undertakes to furnish supplementally a copy of any omitted exhibit or schedule upon request by the SEC.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

SILENCE THERAPEUTICS PLC

By: /s/ Craig Tooman

Name: Craig Tooman

Date: March 13, 2024 Title: Chief Executive Officer

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Audited Consolidated Financial Statements

PCAOB ID: 876 Auditor Name: PricewaterhouseCoopers LLP Auditor Location: Reading, United Kingdom

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Silence Therapeutics plc

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Silence Therapeutics plc and its subsidiaries (the "Company") as of December 31, 2023 and 2022, and the related consolidated income statements, statements of comprehensive income, statements of changes in equity and cash flow statements for each of the three years in the period ended December 31, 2023, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP
Reading, United Kingdom
March 13, 2024

We have served as the Group's auditor since 2014.

SILENCE THERAPEUTICS PLC
CONSOLIDATED INCOME STATEMENTS
(in thousands, except for loss per share)

	Note	**2023**	2022	2021
		£000s	£000s	£000s
Revenue	3	**25,375**	17,501	12,415
Cost of sales		**(10,318)**	(10,880)	(7,456)
Gross profit		**15,057**	6,621	4,959
Research and development costs		**(44,025)**	(35,605)	(30,765)
General and administrative expenses		**(20,636)**	(19,609)	(20,008)
Operating loss	5	**(49,604)**	(48,593)	(45,814)
Finance and other expenses	7	**(2,152)**	(47)	(52)
Finance and other income	8	**1,446**	1,272	10
Loss for the year before taxation		**(50,310)**	(47,368)	(45,856)
Taxation	9	**7,043**	6,879	6,446
Loss for the year after taxation		**(43,267)**	(40,489)	(39,410)
Loss per ordinary equity share (basic and diluted)	10	**(38.9) pence**	(41.9) pence	(44.3) pence

The accompanying accounting policies and notes form an integral part of these financial statements.

SILENCE THERAPEUTICS PLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	2023	2022	2021
	£000s	£000s	£000s
Loss for the year after taxation	**(43,267)**	(40,489)	(39,410)
Other comprehensive expense, net of tax:			
Items that may subsequently be reclassified to profit or loss:			
Foreign exchange differences arising on consolidation of foreign operations	**(134)**	544	(677)
Total other comprehensive income/(expense) for the year	**(134)**	544	(677)
Total comprehensive expense for the year	**(43,401)**	(39,945)	(40,087)

The accompanying accounting policies and notes form an integral part of these financial statements.

SILENCE THERAPEUTICS PLC
CONSOLIDATED BALANCE SHEETS
(in thousands)

	Note	December 31, 2023	2022
		£000s	£000s
Non-current assets			
Property, plant and equipment	11	**1,813**	2,201
Goodwill	12	**7,840**	8,009
Other intangible assets	13	**284**	320
Other long term assets	16	**2,580**	
Financial assets at amortized cost	15	**284**	284
		12,801	10,814
Current assets			
Cash and cash equivalents	14	**54,031**	54,816
Financial assets at amortized cost	15	**-**	16,328
R&D tax credit receivable	9	**17,627**	14,882
Other current assets	16	**9,135**	9,745
Trade receivables	17	**228**	915
		81,021	96,686
Non-current liabilities			
Contract liabilities	20	**(58,910)**	(63,485)
Lease liability	19	**(93)**	-
		(59,003)	(63,485)
Current liabilities			
Contract liabilities	20	**(5,161)**	(8,864)
Trade and other payables	18	**(12,429)**	(12,633)
Lease liability	19	**(179)**	(446)
		(17,769)	(21,943)
Net assets		**17,050**	22,072
Capital and reserves attributable to the owners of the parent			
Share capital	22	**5,942**	5,390
Capital reserves	24	**313,769**	277,860
Translation reserve		**1,951**	2,085
Accumulated losses		**(304,612)**	(263,263)
Total shareholders equity		**17,050**	22,072

The financial statements on pages F1 to F33 were approved by the Board on March 13, 2024 and signed on its behalf.

Craig Tooman
Chief Executive Officer
Company number: 02992058

The accompanying accounting policies and notes form an integral part of these financial statements.

SILENCE THERAPEUTICS PLC
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in thousands)

	Note	Share capital	Capital reserves	Translation reserve	Accumulated losses	Total equity
		£000s	£000s	£000s	£000s	£000s
At January 1, 2021		4,165	186,891	2,218	(184,215)	9,059
Recognition of share-based payments		-	8,632	-	-	8,632
Options exercised in the year		-	(659)	-	659	-
Proceeds from shares issued		324	30,598	-	-	30,922
Transactions with owners recognized directly in equity		324	38,571	-	659	39,554
Loss for year		-	-	-	(39,410)	(39,410)
Other comprehensive expense						
Foreign exchange differences arising on consolidation of foreign operations		-	-	(677)	-	(677)
Total comprehensive expense for the year		-	-	(677)	(39,410)	(40,087)
At December 31, 2021		4,489	225,462	1,541	(222,966)	8,526
Recognition of share-based payments	24	-	10,252	-	-	10,252
Options exercised in the year	24	-	(192)	-	192	-
Proceeds from shares issued	22 / 24	901	42,338	-	-	43,239
Transactions with owners recognized directly in equity		901	52,398	-	192	53,491
Loss for year		-	-	-	(40,489)	(40,489)
Other comprehensive income						-
Foreign exchange differences arising on consolidation of foreign operations		-	-	544	-	544
Total comprehensive expense for the year		-	-	544	(40,489)	(39,945)
At December 31, 2022		5,390	277,860	2,085	(263,263)	22,072
Recognition of share-based payments	24	-	13,050	-	-	13,050
Options exercised in the year	24	-	(1,918)	-	1,918	-
Proceeds from shares issued	22 / 24	552	24,777	-	-	25,329
Transactions with owners recognized directly in equity		552	35,909	-	1,918	38,379
Loss for year		-	-	-	(43,267)	(43,267)
Other comprehensive income						-
Foreign exchange differences arising on consolidation of foreign operations		-	-	(134)	-	(134)
Total comprehensive expense for the year		-	-	(134)	(43,267)	(43,401)
At December 31, 2023		5,942	313,769	1,951	(304,612)	17,050

The accompanying accounting policies and notes form an integral part of these financial statements.

SILENCE THERAPEUTICS PLC
CONSOLIDATED CASH FLOW STATEMENTS
(in thousands)

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Cash flow from operating activities			
Loss before tax	**(50,310)**	(47,368)	(45,856)
Depreciation charges	**462**	478	411
Amortization charges	**36**	4	16
Charge for the year in respect of share-based payments	**13,050**	10,252	8,632
Net foreign exchange (gain)/loss	**2,157**	713	305
Finance and other expenses	**2,152**	-	52
Finance and other income	**(1,446)**	(1,272)	(10)
(Increase)/decrease in trade and other receivables	**314**	(584)	27,483
Increase in other current assets	**610**	(4,225)	(904)
Decrease in derivative financial instrument	**-**	-	1,492
(Increase) in R&D tax credit receivable	**(1,772)**	(502)	-
(Increase) in other long term current assets	**(2,580)**	-	-
Increase in trade and other payables	**44**	1,447	2,405
(Decrease)/increase in contract liabilities	**(8,278)**	(4,399)	8,369
Cash generated/(spent) on operations	**(45,561)**	(45,456)	2,395
Tax paid	**(642)**	-	-
R&D tax credits received	**6,853**	-	4,411
Net cash (outflow)/inflow from operating activities	**(39,350)**	(45,456)	6,806
Cash flow from investing activities			
Redemption of financial assets at amortized cost – term deposits	**36,183**	-	10,000
Purchase of financial assets at amortized cost	**(20,666)**	(16,125)	-
Interest received	**958**	23	10
Purchase of property, plant and equipment	**(45)**	(140)	(1,311)
Purchase of intangible assets	**-**	(300)	(23)
Net cash (outflow)/inflow from investing activities	**16,430**	(16,542)	8,676
Cash flow from financing activities			
Repayment of lease liabilities	**(174)**	(190)	(211)
Proceeds from issue of share capital	**25,329**	43,239	30,922
Net cash inflow from financing activities	**25,155**	43,049	30,711
(Decrease)/increase in cash and cash equivalents	**2,235**	(18,949)	46,193
Cash and cash equivalents at start of year	**54,816**	73,537	27,449
Effect of exchange rate fluctuations on cash and cash equivalents held	**(3,020)**	228	(105)
Cash and cash equivalents at end of year	**54,031**	54,816	73,537

The accompanying accounting policies and notes form an integral part of these financial statements.

1. General information

1.1. Group

Silence Therapeutics plc and its subsidiaries (together the 'Group') are primarily involved in the discovery, delivery and development of RNA therapeutics. Silence Therapeutics plc, a public Company limited by shares registered in England and Wales, with company number 02992058, is the Group's ultimate parent Company. The Company's registered office is 27 Eastcastle Street, London, W1W 8DH and the principal place of business is 72 Hammersmith Road, London, W14 8TH.

2. Principal accounting policies

2.1. Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared under the historical cost convention as modified by revaluation to fair value of the derivative financial instrument. The accounting policies set out below have, unless otherwise stated, been prepared consistently for all periods presented in these consolidated financial statements. The financial statements are prepared in sterling and presented to the nearest thousand pounds.

2.2. Basis of consolidation

The Consolidated financial statements consolidate those of the Company and its controlled subsidiary undertakings drawn up to December 31, 2023. The Group controls an entity when the Group is expected to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Where necessary, adjustments are made to the financial statements of subsidiaries to bring accounting policies into line with those used for reporting the operations of the Group. All intra Group transactions, balances, income and expenses are eliminated on consolidation.

New and amended standards applicable in year adopted

During the year ended December 31, 2023 we adopted, beginning January 1, 2023, amendments to IAS12 'Income taxes' on deferred tax assets and liabilities arising from a single transaction and international tax reform - pillar two model rules. This did not have a material impact on the Company's results of operations or financial position.

New standards issued but not yet effective and not early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for December 31, 2023 reporting periods and have not been early adopted by the Group. These include amendments to IAS1 'Presentation of financial statements' on classification of liabilities. The remaining standards are not applicable to the entity in the current or future reporting periods and on foreseeable future transactions.

New standards issued but not yet effective and early adopted

There were no standards early adopted.

2.3. Going concern

The Group has incurred recurring losses since inception, including net losses of £43.3 million for the year ended December 31, 2023. As of December 31, 2023, the Group had accumulated losses of £304.6 million and cash outflows from operating activities for the year ended 31 December 2023 of £39.4 million.

The Group expects to incur operating losses for the foreseeable future as it continues its research and development efforts, seeks to obtain regulatory approval of its product candidates and pursues any future product candidates the Group may develop.

To date, the Group has funded its operations through upfront payments and milestones from collaboration agreements, equity offerings and proceeds from private placements, as well as management of expenses and other financing options to support its continued operations. During 2021, the Group received $40.0 million (£30.8 million) of upfront payments in respect of the AstraZeneca plc ("AstraZeneca") collaboration, $45.0 million from a private placement of American Depositary Shares ("ADSs") (approximately $42.0 million / £30.8 million, net of expenses) and an approximately $16.0 million (£10.7 million) upfront payment (net of taxes withheld, based on the exchange rate at the payment date), related to the Hansoh Pharmaceutical Group Company Limited ("Hansoh") collaboration executed on October 14, 2021. In August 2022, the Group raised additional funds through a registered direct offering with aggregate gross proceeds of $56.5 million (approximately £46.4 million) before deducting $4.1 million (approximately £3.3 million) in placement agent fees and other expenses. In 2023, the Group received a $10.0 million (approximately £7.9 million) milestone from the AstraZeneca collaboration and $4 million (approximately £3.2 million) in milestones from the Hansoh collaboration. The Group also raised gross proceeds of approximately $32.2 million (approximately £25.5 million), before deducting £1.0 million in placement agent fees and other expenses from its open market sale agreement. As of December 31, 2023, the Group had cash and cash equivalents of £54.0 million ($68.8 million).

In January 2024, we raised additional proceeds of £15.7 million ($20 million) before deducting £0.5 million ($0.6 million) in placement agent fees and other expenses, from sales of ADSs under our Sales Agreement.

On February 5, 2024 the Group announced a private placement of 5,714,286 of the Company's American Depositary Shares ("ADSs"), each representing three ordinary shares, at a price of US $21.00 per ADS, with new and existing institutional and accredited investors (the "Private Placement"). The aggregate gross proceeds of the Private Placement was US $120 million (approximately £94.5 million) before deducting approximately £5.7 million in placement agent fees and other expenses. The financing syndicate included 5AM Ventures, Frazier Life Sciences, Logos Capital, Nextech Invest Ltd (on behalf of one or more funds managed by it), Redmile Group, TCGX and Vivo Capital.

The Group believes that its current cash and cash equivalents are sufficient to fund its operating expenses for at least the next twelve months from the issuance date of these consolidated financial statements. For this reason, the Company continues to adopt the going concern basis in preparing the financial statements.

The Group will need to raise additional funding to fund its operation expenses and capital expenditure requirements in relation to its clinical development activities. The Group may seek additional funding through public or private financings, debt financing or collaboration agreements. Specifically, the Group may receive future milestone payments from existing collaboration agreements which will extend the ability to fund operations. However, these future milestone payments are dependent on achievement of certain development or regulatory objectives that may not occur. The inability to obtain future funding could impact; the Group's financial condition and ability to pursue its business strategies, including being required to delay, reduce or eliminate some of its research and development programs, or being unable to continue operations or unable to continue as a going concern.

2.4. Research and development

The Group recognize expenditure incurred in carrying out its research and development activities in line with management's best estimation of the costs incurred to date for each separately contracted study or activity. This includes the calculation of research and development accruals at each period to account for expenditure that has been incurred. This requires estimations of the full costs to complete each study or activity and also estimation of the current stage of completion. In all cases, the full cost of each study or activity is expensed by the time the final report or, where applicable, product, has been received. Further details on research and development can be found in note 2.11.

2.5. Revenue recognition

The Group's revenue for the year ended December 31, 2023 consists of royalty income and revenue from collaboration agreements.

Royalty income

The Group's royalty income is generated by a settlement and license agreement with Alnylam. Under this contract, Alnylam is obliged to pay royalties to the Group on the net sales of ONPATTRO™ in the EU in a manner commensurate with the contractual terms. Invoices are raised in arrears on a quarterly basis based on sales information provided by Alnylam no later than 75 days after the quarter end.

The royalty exemption under IFRS 15 requires sales-based data. Royalty revenue is recognized when sales data is received, based on the level of sales when the related sales occur.

Revenue from collaboration agreements

We have considered the Mallinckrodt, AstraZeneca, and Hansoh contracts and assessed whether the research and development services and license of the IP in respect of each target are distinct.

For all contracts we have concluded the license of the intellectual property and the R&D services are not distinct, as Mallinckrodt, AstraZeneca, and Hansoh cannot benefit from the intellectual property absent the R&D services, as those R&D services are used to discover and develop a drug candidate and to enhance the value in the underlying intellectual property, and these services could not be performed by another party, indicating that the two are highly interrelated. On this basis, we have concluded that there is a single performance obligation covering both the R&D services and the license of the intellectual property in respect of each target. We recognize revenue over the duration of the contract based on an input method based on cost to cost.

The contracts have multiple elements of consideration (some or all of the following), namely:

- Upfront payments (fixed);
- Subsequent milestone payments (variable);
- FTE costs rechargeable (variable);
- Recharges of direct costs for certain research activities (variable).

The Group's effort under the contracts continues throughout their entire duration. On this basis revenue is recognized over the contract period based on costs to completion.

Revenue has been calculated on the following ongoing basis for the year ended December 31, 2023:

- Total contract costs which includes actual FTE and direct costs incurred up to December 31, 2023 and forecast FTE and direct costs for the remainder of the contract
- Actual costs incurred up until December 31, 2023 are calculated as a percentage of total contract costs (actual and forecast)
- This percentage is then multiplied by the transaction price allocated to the performance obligation in question, thus calculating the cumulative revenue which is then used to calculate the revenue to be recognized in that period. In the case of the upfront and milestones, the consideration that is multiplied is in relation to the upfront and completed milestones only. Consideration in relation to milestones not yet been achieved is excluded from the calculation.

Forecast costs are monitored each period, with revenue recognized reflecting any changes in forecast or over/under spend in actuals.

Further details of the revenue amounts recognized in the year ended December 31, 2023 can be found in note 3.

2.6. Foreign currency translation

The consolidated financial statements are presented in sterling. The individual financial statements of each Group entity are prepared in the currency of the primary economic environment in which the entity operates (its functional currency).

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the income statement for the year.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are translated into sterling using exchange rates prevailing on the balance sheet date. Income and expense items (including comparatives) are translated at the average exchange rates for the year unless individually significant to the Group at which point they are translated at spot rate. Exchange differences arising, if any, are recognized in equity.

2.7. Defined contribution pension funds

The contributions payable to defined contribution retirement schemes are recognized as an expense in the period to which they relate. On the payment of the contribution the Group has no further liability.

2.8. Business combinations

There were no new business combinations as defined by IFRS 3 during 2021, 2022 or 2023.

All goodwill is attributed to an acquisition that occurred in 2005. Goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognized amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree.

2.9. Property, plant and equipment

The Group holds no property assets other than leased property assets classified as right-of-use assets. See note 2.14 for further details.

All equipment and furniture is stated in the financial statements at its cost of acquisition less a provision for depreciation.

Depreciation is charged to write off the cost less estimated residual values of furniture and equipment on a straight-line basis over their estimated useful lives. All equipment and furniture is estimated to have a useful economic life of between three and ten years. Estimated useful economic lives and residual values are reviewed each year and amended if necessary.

2.10. Goodwill

Goodwill is stated at cost less any accumulated impairment losses; it is allocated to the operating segment (being the group's cash generating units) that is expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management controls the related cash flows. Goodwill is not amortized but is tested for impairment annually, or sooner when an indication of impairment has been identified. Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary at the date

of acquisition. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.11. Other intangible assets

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortization and less accumulated impairment losses.

Amortization

Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortized from the date they are available for use. The estimated useful lives are as follows:

Licenses and software 10 – 15 years.

Capitalization of research and development costs

Costs associated with research activities are treated as an expense in the period in which they are incurred.

Costs that are directly attributable to the development phase of an internal project will only be recognized as intangible assets provided they meet the following requirements:

- an asset is created that can be separately identified;
- the technical feasibility exists to complete the intangible asset so that it will be available for sale or use and the Group has the intention and ability to do so;
- it is probable that the asset created will generate future economic benefits either through internal use or sale;
- sufficient technical, financial and other resources are available for completion of the asset; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Careful judgment by management is applied when deciding whether recognition requirements for development costs have been met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems at the time of recognition. Judgments are based on the information available at each balance sheet date.

To date, no development costs have been capitalized in respect of the internal projects on the grounds that the costs to date are either for the research phase of the projects or, if relating to the development phase, then the work so far does not meet the recognition criteria set out above. In most cases recognition would not occur until regulatory approval.

2.12. Impairment testing of goodwill, other intangible assets and property, plant and equipment

At each balance sheet date non-financial assets are assessed to determine whether there is an indication that the asset or the asset's cash generating unit may be impaired. At least annually or if there is such an indication, the recoverable amount of the asset or asset's cash generating unit is compared to the carrying amount.

The recoverable amount of the asset or asset's cash generating unit is the higher of the fair value less costs to sell and value in use.

Impairment losses recognized for cash generating units to which goodwill has been allocated are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit.

2.13. Financial instruments

Financial assets and financial liabilities are recognized on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

For the periods presented in these financial statements, financial assets were classified in the following categories: derivative financial instruments, and financial assets at amortized cost. Currently other categories of financial asset are not used. Management determines the classification of its financial assets at initial recognition.

The de-recognition of financial instruments occurs when the rights to receive cash flows from investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

Derivative financial instruments

The Group uses forward contracts to manage exposure to risks from foreign exchange movements. Derivatives are initially recognized at fair value at the date that the contract is entered into and subsequently remeasured at each balance sheet date. The resulting gain or loss is recognized in the income statement.

Financial assets at amortized cost

Financial assets at amortized cost include trade receivables held in order to collect contractual cash flows, U.S. Treasury Bills and a term deposit held collect solely payment of the principal and interest, and deposits on property operating leases and for the procurement of materials. These are measured at initial recognition at fair value plus, if appropriate, directly attributable transaction costs and are subsequently measured at amortized cost using the effective interest method, less provision for impairment. Premiums and discounts, if any, are amortized or accreted as interest expense or income over the life of the related asset using the effective interest method. Any impairment is assessed using the Expected Credit Losses (ECL) model. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables. Any impairment is recognized in the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Financial liabilities and equity

Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. A financial liability is a contractual obligation to either deliver cash or another financial asset to another entity or to exchange a financial asset or financial liability with another entity, including obligations which may be settled using its equity instruments. An equity instrument is any contract that evidences a residual interest in the assets after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Financial liabilities

At initial recognition, financial liabilities are measured at their fair value minus, if appropriate, any transaction costs that are directly attributable to the issue of the financial liability. After initial recognition, all financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

Equity instruments issued by the Group are recorded as the proceeds received, net of direct issue costs.

2.14. Leased assets

For any new contracts entered into on or after 1 January 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Group assesses whether the contract meets two key evaluations, which are whether:

- the contract contains an identifiable asset;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use

Measurement and recognition

At lease commencement date, the Group recognizes a right-of-use asset (as part of the appropriate underlying class of assets in property, plant and equipment) and a lease liability on the balance sheet.

The right-of-use asset is measured at cost comprising the following: the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs. The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

The Group has elected to account for short-term leases (leases with a duration of less than 12 months) and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

The interest payments for leases are recognized in the statement of cashflows under finance and other expenses.

Lease break clauses and extension options

When the Group has the option to extend a lease, management uses its judgment to determine whether or not an option would be reasonably certain to be exercised. Management considers all facts and circumstances including past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help determine the lease term.

Similarly, when a break clause exists in the lease agreement, management must consider the likelihood of this option to curtail the lease being exercised.

2.15. Share-based payments

Historically the Group has issued equity settled share-based payments to certain employees (see note 25). Equity settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value so determined is expensed on a straight-line basis over the vesting period, based on the Group of the number of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

The value of the charge is adjusted to reflect expected and actual levels of award vesting, except where failure to vest is as a result of not meeting a market condition.

Cancellations of equity instruments are treated as an acceleration of the vesting period and any outstanding charge is reversed in full immediately.

Fair value is measured using a Black Scholes model, binomial pricing model, or Monte Carlo model. The key assumptions used in the model have been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

Any payment made to a counterparty on the cancellation or settlement of a grant of equity instruments (even if this occurs after the vesting date) should be accounted for as a repurchase of an equity interest (that is, as a deduction from equity). But, if the payment exceeds the fair value of the equity instruments repurchased (measured at the repurchase date), any such excess should be recognized as an expense.

2.16. Equity

Share capital is determined using the nominal value of shares that have been issued.

The share premium account includes any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium account, net of any related income tax benefits.

The merger reserve represents the difference between the nominal value and the market value at the date of issue of shares issued in connection with the acquisition by the Group of an interest in over 90% of the share capital of another company.

Equity settled share-based payments are credited to a share-based payment reserve as a component of equity until related options or warrants are exercised.

Foreign currency translation differences are included in the translation reserve.

Profit and loss account (deficit) includes all current and prior period results as disclosed in the income statement.

2.17. Taxation

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current tax liabilities are calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Tax receivable arises from the U.K. legislation regarding the treatment of certain qualifying research and development costs, allowing for the surrender of tax losses attributable to such costs in return for a tax rebate. Research and development tax credits are recognized when the receipt is probable. Research and development costs which are not eligible for reimbursement under the U.K. Research and Development Tax Credit scheme, such as expenditure incurred on research projects for which the group receives income, may be reimbursed under the U.K. Research and Development Expenditure Credit ("RDEC") scheme. Amounts receivable under the RDEC scheme are presented within the Income Statement within Research and Development costs.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

Such assets and liabilities are not recognized if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realized. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Withholding tax is payable on gross income from dividends, interest, lease of property, royalties, and other China-source passive income since the Group does not have an establishment or place of business in China.

2.18. Critical accounting estimates and judgments and key sources of estimation uncertainty

In the process of applying the entity's accounting policies, management makes estimates and judgments that have an effect on the amounts recognized in the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The critical judgments concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

- Application of IFRS 15 in determining revenue from contracts with customers specifically:

  - The determination of the numbers of performance obligations. Judgment was previously required in determining whether the license and the R&D activities are distinct performance obligations or not at the time collaboration agreements were executed. It is considered the license of the IP and the R&D activities are not distinct as the R&D services are essential to discover and develop a drug candidate and enhance the value in the underlying IP. In addition, the gene targets are highly specialized such that only the Group has the specialist knowledge to apply the IP to the specific target. On this basis, it was concluded that there is only one single performance obligation covering both the R&D services and licenses of the IP in respect of each target at the time the agreements were executed;

  - The allocation of the upfront payments between performance obligations (judgment). Mallinckrodt paid the Group $20 million in 2019, AstraZeneca paid the Group $60 million in 2020 and 2021, and Hansoh paid $16 million upfront in 2021.These upfront payments were considered the initial transaction price. A judgment was required to determine how this should be allocated across the contracted targets. In 2019, due to the compounds being at similar stages of development at the time of contract execution, the $20 million paid by Mallinckrodt was allocated evenly, on the basis of a benchmarking exercise considering the standalone selling price per target of past deals announced to the market by comparable companies; Similarly the $60 million paid by AstraZeneca was allocated evenly across target options for AstraZeneca. The Hansoh $16 million upfront payment was allocated $4 million for each of the two targets in Greater China, Hong Kong, Macau and Taiwan and $8 million for the global target based on the benchmarking exercise, as well as consideration for geography licensed and other contractual terms. These initial transaction amounts are recognized as revenue over the life of the performance obligations for each contract.

- The estimate of future costs to be incurred to determine percentage of completion of revenue contracts:

  In determining the percentage of completion of the revenue projects, the Group estimated the total future costs expected to be incurred through the life of the performance obligations per the contract. An increase in future costs could arise as a result of a requested change in scope by the collaboration partner or through higher than anticipated internal costs incurred by Silence. The impact of a change in scope would be largely neutral on revenue recognition because there would be consequential increases in revenue to match the additional costs. There is no experience of internal costs being higher than anticipated to date, but if this were the case then a 10% increase in future estimated costs would lead to a 0.8% decrease in revenue.

2.19. Segment reporting

- Operating segments are reported in a manner consistent with the internal reporting provided to the Board. The chief operating decision maker (CODM), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's Chief Executive Officer. The Group has a single reportable segment (see note 4).

3. Revenue

Revenue from collaboration agreements for the year ended December 31, 2023 predominately relates to the research collaboration agreements the Company entered into with Mallinckrodt in July 2019 and AstraZeneca in March 2020.

Revenue comprised £0.6 million of royalty income (2022: £0.6 million; 2021: £0.4 million) and £24.8 million of Research collaboration income (2022: £16.9 million; 2021: £12.0 million). Disaggregation of revenue from contracts with customers is as follows:

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Revenue from Contracts with Customers			
Research collaboration - Mallinckrodt plc	**10,544**	11,658	8,748
Research collaboration - AstraZeneca	**13,682**	5,081	2,652
Research collaboration - Other	**580**	184	623
Research collaboration - total	**24,806**	16,923	12,023
Royalties	**569**	578	392
Total revenue from contracts with customers	**25,375**	17,501	12,415

Under our collaboration agreement with Mallinckrodt, we received an upfront cash payment of £16.4 million ($20 million) in 2019 and are eligible to receive specified development, regulatory and commercial milestone payments. No milestone payments under this agreement were achieved (2022: £2.2 million; 2021: £2.9 million) during the year ended December 31, 2023. We recognize the upfront payment, milestone payments, payments for personnel costs and other research funding payments over time, in accordance with IFRS 15 para 35 c). During the year ended December 31, 2023, we recognized a total of £10.5 million in revenue under this agreement (2022: £11.7 million; 2021: £8.7 million).

In March 2023, the Company reacquired exclusive worldwide rights to two preclinical siRNA assets under its Mallinckrodt collaboration, which resulted in a modification of the agreement. No additional performance obligations were identified as a result of the modification as there were no additional goods or services to be provided by the Company and the modification resulted in the partially satisfied performance obligations relating to the two reacquired targets becoming fully satisfied as the Company was no longer obligated to develop these targets. SLN501, the C3 targeting program, remained under the original collaboration agreement through March 2024. The Company accounted for the modification as if it were part of the existing contract as the remaining services to be delivered form part of a single performance obligation that is partially satisfied at the date of contract modification. The effect of the contract modification was that the consideration originally received for the two preclinical siRNA assets was reallocated to SLN501. The Company recognized the effect of the contract modification on the measure of progress

towards complete satisfaction of the SLN501 performance obligation, and recognized an adjustment to revenue at the date of the contract modification on a cumulative catch-up basis. The Company recognized £8.0 million on the contract modification date. In relation to the reacquired targets, the two preclinical siRNA assets were recognized at fair value. The fair value of those assets has been determined to be nil. Under the modification, the Company agreed to pay future success-based milestones and low single digit royalties on net sales if the projects advance. The Company will recognize these variable success-based milestones as an intangible asset at cost when triggered. Any royalties payable will be expensed in cost of sales.

Under our collaboration agreement with AstraZeneca, we received an upfront cash payment of £17.1 million ($20 million) in 2020 with a further amount of £30.8 million ($40 million) received in May 2021. We are also eligible to receive specified development and commercial milestone payments as well as tiered royalties on net sales, if any. We recognize the upfront payment and milestone payments over time, in accordance with IFRS 15 para 35 c). During the year ended December 31, 2023, the Company achieved a milestone payment of approximately £7.9 million ($10.0 million) (2022: nil; 2021: nil). During the year ended December 31, 2023, we recognized a total of £13.7 million in revenue under this agreement (2022: £5.1 million; 2021: £2.7 million).

We entered into a collaboration agreement with Hansoh on October 15, 2021. We received a $16 million (equivalent to approximately £11.9 million based on the exchange rate at the payment date and $14.4 million or £10.7 million, net of taxes) upfront payment to us in December 2021. We are eligible to receive development, regulatory and commercial milestones as well as royalties on Hansoh net product sales. During the year ended December 31, 2023, the Company achieved milestone payments totaling £3.2 million ($4.0 million) (2022: £1.5 million; 2021: £nil). We recognize the upfront payment and milestone payments over time, in accordance with IFRS 15 para 35 c). During the year ended December 31, 2023, we recognized a total of £0.6 million in revenue under this agreement (2022: £0.2 million; 2021: £32 thousand).

In December 2018, we entered into a settlement and license agreement with Alnylam Pharmaceuticals Inc., or Alnylam, pursuant to which we settled outstanding patent litigation with Alnylam related to its RNAi product ONPATTRO. As part of the settlement, we license specified patents to Alnylam, and Alnylam pays us a tiered royalty of up to one percent of net sales of ONPATTRO in the European Union. We were eligible to receive these royalties through December 2023. We invoice Alnylam quarterly in arrears based on sales data for that quarter as reported to us by Alnylam. Royalty revenue is recognized based on the level of sales when the related sales occur. During the year ended December 31, 2023, we recognized a total of £0.6 million in royalty income from Alnylam (2022: £0.6 million; 2021: £0.4 million).

4. Segment reporting

In 2023, the Group operated in the specific technology field of RNA therapeutics.

Business segments

The Group has identified the Chief Executive Officer as the CODM. For the 12 months ended December 31, 2023 and 2022, the CODM determined that the Group had one business segment, the development of RNAi-based medicines. This is consistent with reporting to senior management. The information used internally by the CODM is the same as that disclosed in the financial statements.

An analysis of the group's assets and revenues by location is shown below:

	U.S.A.	U.K.	Germany	Total
	£000s	£000s	£000s	£000s
Non-current assets				
As at December 31, 2022	-	1,166	9,648	10,814
As at December 31, 2023	-	**3,508**	**9,293**	**12,801**
Revenue analysis for the year ended December 31, 2021				
Research collaboration	-	12,023	-	12,023
Royalties	-	-	392	392
	-	12,023	392	12,415
Revenue analysis for the year ended December 31, 2022				
Research collaboration	-	16,923	-	16,923
Royalties	-	-	578	578
	-	16,923	578	17,501
Revenue analysis for the year ended December 31, 2023				
Research collaboration	**-**	**24,806**	**-**	**24,806**
Royalties	**-**	**-**	**569**	**569**
.	**-**	**24,806**	**569**	**25,375**

5. Operating loss

This is stated after charging/(crediting):

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Depreciation of property, plant and equipment	**462**	478	411
Amortization of intangibles	**36**	4	16
Share-based payments charge	**13,050**	10,252	8,632
Short lease payments on premises	**481**	410	332
Fees payable to the Company's auditors for the audit of the Company and the consolidation:			
- audit fees	**576**	463	403
- other assurance services	**222**	150	180

6. Directors and staff costs

Staff costs, including Directors' remuneration, during the year for the Group were as follows:

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Wages and salaries	**15,363**	14,760	10,837
Social security costs	**1,524**	1,434	1,491
Other pension costs	**489**	429	319
Share-based payments charge	**13,050**	10,252	8,632
Total aggregate remuneration	**30,426**	26,875	21,279

	Year ended December 31,		
	2023	2022	2021
	Number	Number	Number
Research and development and related support services	**86**	88	66
Administration	**29**	28	26
Total average number of employees	**115**	116	92

7. Finance and other expenses

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Lease liability interest expense	**34**	47	8
Net foreign exchange losses	**2,118**	-	44
Total Finance and other expenses	**2,152**	47	52

8. Finance and other income

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Bank interest receivable	**67**	23	10
Accretion on U.S Treasury Bills	**1,379**	203	-
Net foreign exchange gains	**-**	1,046	-
Total Finance and other income	**1,446**	**1,272**	**10**

9. Taxation

The entire tax credit of £7.0m relates to current tax as shown below. No deferred tax was recognized in the year.

	December 31	
	2023	**2022**
	£000s	**£000s**
Current Tax Expense		
Current Year	**(7,028)**	**(7,280)**
Changes in estimate related to prior years	**(15)**	**401**
Total current tax	**(7,043)**	(6,879)
Deferred Tax Expense		
Origination and reversal of temporary differences	**-**	**-**
Change in tax rate	**-**	**-**
Recognition of previously unrecognized tax losses	**-**	**-**
Recognition of previously unrecognized tax losses (derecognition of previously recognized) deductible temporary differences	-	-
Taxation	**(7,043)**	**(6,879)**

The deferred tax charge in 2023 was nil (2022: nil; 2021: nil). Reconciliation of tax credit at standard rate of U.K. corporation tax to the current tax credit:

	Year ended December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Loss before tax	**(50,310)**	(47,368)	(45,856)
Tax credit at the standard rate of U.K. corporation tax of 25% (2021: 19%; 2020: 19%)	12,578	9,000	8,713
Effect of overseas tax rate	207	544	(264)
Impact of unrelieved tax losses not recognized	(13,177)	(9,948)	(8,639)
Adjustment in respect of prior year	15	(401)	875
Research and development tax credit in respect of current year	7,793	7,836	6,945
Effect of overseas taxes	(373)	(152)	(1,184)
	7,043	6,879	6,446

The deferred tax asset not recognized in these financial statements on the estimated losses and the treatment of the equity settled share- based payments, net of any other temporary differences is detailed in note 23. During the year, the Group had not yet received a research and development tax credit related to the prior year (2022: £7.8 million; 2021: £4.4 million). The Group has accrued £7.8 million (2022: £7.8 million; 2021: £6.95 million) recognizing a current tax asset in respect of 2023 research and development tax credits. Research and development tax credit in respect of the current year includes amounts for unfunded projects that are permissible to claim under the Small or Medium Enterprise ('SME') R&D tax scheme. In addition to this we have also recognized £0.9 million of income from the RDEC scheme in the income statement within research and development costs. The company had a foreign tax expense of £0.4 million. (2022: £0.4 million; 2021: £0.2 million).

The corporation tax main rate during 2023 was 25% (2022: 19%; 2021: 19%). In the Spring Budget 2021, the U.K. Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the company has not recognized any related deferred tax assets as at 31, December 2023, the tax rate increase has no impact.

Since the Group does not have an establishment or place of business in China, the Group is subject to withholding tax on gross income from dividends, interest, lease of property, royalties, and other China-source passive income. In 2021 the Group entered into a collaboration agreement with Hansoh, a biopharmaceutical company in China and received a $16 million upfront payment, which required withholding tax of $1.6 million. In 2023 the Group received a milestone payment of £3.2 million ($4.0 million), which required withholding tax of £0.4 million In 2022 the Group received a milestone payment of £1.5 million ($2.0 million), which required withholding tax of £0.2 million.

10. Loss per ordinary equity share (basic and diluted)

The calculation of the loss per share is based on the loss for the financial year after taxation and on the weighted average of 111,277,250 (2022: 96,584,512; 2021: 88,950,441) ordinary shares in issue during the year.

The options outstanding at December 31, 2023, December 31, 2022 and December 31, 2021 are considered to be anti-dilutive as the Group is loss-making.

11. Property, plant and equipment

	Equipment and furniture	Right-of-use asset	Total
	£000s	£000s	£000s
Cost			
At January 1, 2022	5,112	345	5,457
Additions	140	499	639
Disposals	(506)	(346)	(852)
Translation adjustment	240	-	240
At December 31, 2022	4,986	498	5,484
At January 1, 2023	4,986	498	5,484
Additions	45	-	45
Translation adjustment	24	5	29
At December 31, 2023	**5,055**	**503**	**5,558**
Accumulated depreciation			
At January 1, 2022	3,293	220	3,513
Charge for the year	306	172	478
Eliminated on disposal	(506)	(346)	(852)
Translation adjustment	144	-	144
At December 31, 2022	3,237	46	3,283
At January 1, 2023	3,237	46	3,283
Charge for the year	296	166	462
At December 31, 2023	**3,533**	**212**	**3,745**
Net book value			
As at December 31, 2022	1,749	452	2,201
As at December 31, 2023	**1,522**	**291**	**1,813**

12. Goodwill

	Year ended December 31,	
	2023	2022
	£000s	£000s
Balance at start of year	**8,009**	7,592
Translation adjustment	**(169)**	417
Balance at end of year	**7,840**	8,009

The recoverable amount is based on fair value less cost of disposal.

The key assumptions used in the valuation models to determine the fair value less cost of disposal are as follows:

- Fair value has been determined as market capitalization (share price x number of shares in issue) at December 31, 2023
- Disposal costs have been estimated to be minimal

Goodwill is assessed at a segment level. As there is only one operating segment, we have considered the fair value of the entire business as market capitalization at December 31, 2023, which was £540.5 million (2022:£453.3 million), with share price not dropping significantly below its December 31, 2023 value at any point so far in 2024, and therefore a sensitivity analysis has not been presented.

13. Other intangible assets

	Licenses & software
	£000s
Cost	
At January 1, 2022	130
Additions	300
Translation adjustment	-
At December 31, 2022	430
At January 1, 2023	430
Additions	-
Translation adjustment	-
At December 31, 2023	**430**
Accumulated depreciation	
At January 1, 2022	106
Charge for the year	4
Translation adjustment	-
At December 31, 2022	110
At January 1, 2023	110
Charge for the year	36
Translation adjustment	-
At December 31, 2023	**146**
Net book value	
As at December 31 2022	320
As at December 31 2023	**284**

The intangible assets included above have finite useful lives estimated to be of 10–15 years from the date of acquisition, over which period they are amortized or written down if they are considered to be impaired. Internally generated patent costs are only recorded where they are expected to lead directly to near-term revenues, none have been capitalized to date.

14. Cash and cash equivalents

	December 31, 2023	2022
	£000s	£000s
Cash at bank and in hand	**24,993**	41,986
US Treasury Bills	**29,038**	12,376
Short term bank deposits	**-**	454
Total Cash and cash equivalents	**54,031**	54,816

Cash at bank comprises balances held by the Group in current, short-term bank deposits, and U.S. Treasury Bills with an original maturity of three months or less. The carrying amount of these assets approximates to their fair value.

15. Financial assets at amortized cost

Non-current financial assets at amortized cost primarily relate to deposits for properties.

Current financial assets at amortized cost, other than trade receivables as disclosed in note 17, include U.S. Treasury Bills (with maturities from purchase date over three months) of £nil (2022: £16.3 million).

	December 31, 2023	2022
	£000s	£000s
Current financial assets at amortized cost – U.S Treasury Bills	**-**	16,328
Total financial assets at amortized cost - current	**-**	**16,328**
Non-current financial assets at amortized cost	**284**	284
Total financial assets at amortized cost	**284**	**16,612**

16. Other assets

	December 31, 2023	2022
	£000s	£000s
Prepayments	**8,157**	8,200
VAT receivable	**978**	1,545
Total other current assets	**9,135**	**9,745**
Prepayments	**2,580**	**-**
Other long term assets	**2,580**	-

17. Trade receivables

	December 31, 2023	2022
	£000s	£000s
Trade receivables	**228**	915

The Directors consider that the carrying amount of trade receivables approximates to their fair value.

No interest is charged on outstanding receivables. There were no overdue trade receivables balances.

The Group has applied an expected credit loss model to the balance and determined that £nil (2022: £nil) provision is required.

18. Trade and other payables

	December 31, 2023	2022
	£000s	£000s
Trade payables	**2,629**	3,186
Social security and other taxes	**577**	467
Accruals and other payables	**8,850**	8,391
Corporate income tax payable	**373**	589
Total trade and other payables	**12,429**	12,633

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

19. Lease liability

	December 31, 2023	2022
	£000s	£000s
Lease liability - current	**179**	446
Lease liability - non-current	**93**	-
Total lease liability	**272**	446

The lease liability recognized on the face of the balance sheet comprises the Group's London office, which was renegotiated upon completion of the original term, with the new term beginning in September 2022. The repayment of the principal portion of these lease liabilities for the year-ending December 31, 2023 was £0.2 million (2022: £0.2 million).

There are two short-term leases in Berlin, Germany and seven leases in Hoboken, U. S., not included in the lease liability above. Both leases in Berlin are on a rolling contract basis with either party being able to end the lease with a cancellation notice period of 11.5 months, while the leases in the U. S. are on a rolling contract basis with a notice period of three months, thus allowing exemption using the practical expedient, without significant cost.

20. Contract liabilities

Contract liabilities comprise entirely deferred revenue in respect of the Mallinckrodt, AstraZeneca plc, and Hansoh research collaborations. The current contract liabilities represent the amount of estimated revenue to be reported in the next 12 months related to amounts invoiced to our partners. Current and non-current contract liabilities include future revenue from collaboration recharged expenses, upfront payments, and milestones achieved to December 31, 2023.

	December 31, 2023	December 31, 2022
	£000s	£000s
Contract liabilities:		
Current	**5,161**	**8,864**
Non-current	**58,910**	**63,485**
Total contract liabilities	**64,071**	**72,349**

	Total
	£000s
Contract liabilities:	
At January 1, 2022	76,748
Additions during period	12,519
Revenue unwound during period	(16,918)
At December 31, 2022	**72,349**
At January 1, 2023	72,349
Additions during period	16,528
Revenue unwound during period	(24,806)
At December 31, 2023	**64,071**

21. Deferred tax

The Group has the following unrecognized deferred tax assets as at December 31, 2023:

	December 31,	
	Gross 2023	Gross 2022
	£000s	
Trading Losses [1]	**198,422**	167,828
Share based payments	**7,679**	8,995
Capital losses	**7,873**	7,873
Total unrecognized deferred tax asset	**213,974**	184,696

(1) Included in trading losses is £42.7 million of accumulated tax losses as of December 31, 2023 (£43.6 million as of December 31, 2022) related to our operations in Germany for corporate income taxes. We also had £41.4 million of accumulated losses related to trade taxes in our German entity (£43.6 million as of December 31, 2022).

Total unrecognized deferred tax assets are calculated based on the main corporate tax rate of 25% (25% for 2022) as this is the tax rate applicable to when we expect to utilize the these deferred tax assets. Unrecognized deferred tax assets from foreign trading losses are calculated at the tax rate applicable to the related jurisdiction.

Deferred tax assets are recognized where it is probable that future taxable profit will be available to utilize losses. Due to the uncertainty of future capital gains, a deferred tax asset in respect of capital losses was not recognized at December 31, 2023 (2022: nil).

22. Share capital

	December 31,		
	2023	2022	2021
	£000s	£000s	£000s
Authorized, allotted, called up and fully paid ordinary shares, par value £0.05	5,942	5,390	4,489
	Number	Number	Number
Number of shares in issue	118,846,966	107,808,472	89,784,720
Number of ADS in issue	39,615,655	35,936,157	29,928,240

The Group has only one class of share. All ordinary shares have equal voting rights and rank pari passu for the distribution of dividends.

On February 5, 2021 the Group announced a private placement of 2,022,218 of the Company's American Depositary Shares ("ADSs"), each representing three ordinary shares, at a price of US $22.50 per ADS, with new and existing institutional and accredited investors (the "Private Placement"). The aggregate gross proceeds of the Private Placement was US $45 million (approximately £33 million) before deducting approximately £2.4 million in placement agent fees and other expenses. The financing syndicate included Adage Capital Management LP, BVF Partners L.P., Consonance Capital, Great Point Partners, LLC, and other investors.

On November 30, 2021, the Company completed delisting from AIM. As a result, the Company converted the existing employee share options to ADSs which represents three ordinary shares and the exercise price was also converted to represent an ADS price at an exchange rate equal to the average of the last five business trading days currency conversion of sterling pounds to US dollars, which was 1.334058 sterling pounds to 1 US dollar. This is not a modification of the existing share option grants, as the value or timing of the grants was unchanged.

On August 11, 2022 the Group announced a registered direct offering (the "Offering") of 5,950,000 of the Company's ADSs, each representing three ordinary shares, at a price of $9.50 per ADS, with new and existing institutional and accredited investors. The aggregate gross proceeds of the Offering was $56.5 million (approximately £46.4 million) before deducting $4.1 million (approximately £3.3 million) in underwriting discounts, commissions and estimated offering expenses.

On October 15, 2021, we entered into an Open Market Sale Agreement (the "Sales Agreement"), with Jefferies LLC ("Jefferies"), under which Jefferies, as our exclusive agent, at our discretion and at such times that we may determine from time to time, may sell over a three-year period from the execution of the Sales Agreement up to a maximum of $100.0 million of ADSs. Under the terms of the Sales Agreement, Jefferies may sell the ADSs at market prices by any method that is deemed to be an "at the market offering" as defined in Rule 415 under the Securities Act of 1933, as amended. The ADSs offered under the Sales Agreement are being offered pursuant to a registration statement on Form F-3 that became effective on October 22, 2021. We may offer and sell up to $300.0 million of our shares, represented by ADSs, from time to time in one or more offerings. During the year ended December 31, 2023, we sold 3.4 million ADSs for net proceeds of approximately $32.2 million (approximately £25.5 million), before deducting £1.0 million in placement agent fees and other expenses. As of this filing, approximately $67.8 million of ADSs remained available under the Sales Agreement.

Details of the shares issued during the current and previous year are as follows:

Number of shares in issue at January 1, 2021	83,306,259
Shares issued during the year	6,066,654
Options exercised at £0.05	66,114
Options exercised at £0.85	121,854
Options exercised at £1.00	25,000
Options exercised at £1.28	720
Options exercised at £1.90	198,119
Number of shares in issue at December 31, 2021	89,784,720
Shares issued during the year	17,850,000
Options exercised at $0.20/ADS or $0.07/ordinary share	84,835
Options exercised at $4.16/ADS or $1.39/ordinary share	16,968
Options exercised at $5.12/ADS or $1.72/ordinary share	12,951
Options exercised at $5.88/ADS or $1.96/ordinary share	24,000
Options exercised at $7.32/ADS or $2.44/ordinary share	15,000
Options exercised at $7.60/ADS or $2.53/ordinary share	19,998
Number of shares in issue at December 31, 2022	107,808,472
Number of ADS in issue at December 31, 2022	35,936,157
Shares issued during the year	10,230,567
Options exercised at $0.20/ADS or $0.07/ordinary share	583,857
Options exercised at $2.40/ADS or $0.80/ordinary share	39,999
Options exercised at $3.76/ADS or $1.25/ordinary share	27,498
Options exercised at $7.60/ADS or $2.53/ordinary share	154,386
Options exercised at $15.38/ADS or $5.13/ordinary share	2,187
Number of shares in issue at December 31, 2023	**118,846,966**
Number of equivalent ADS in issue at December 31, 2023	**39,615,655**

At December 31, 2023, there were options outstanding of 15,853,459 (2022: 11,571,487; 2021: 8,052,699) unissued ordinary shares.

Details of the options outstanding are as follows:

Year of issue	Weighted average Exercise price (£)	WeightedaverageExercise price($)	At January 1, 2023	Options granted	Options forfeited	Options expired	Options exercised	At December 31, 2023	Weighted average years to expiry date
2014	3.39	4.23	4,000	-	-	-	-	4,000	0.67
2015	3.39	4.23	3,333	-	-	-	-	3,333	1.51
2016	4.12	5.14	9,857	-	-	-	-	9,857	2.35
2017	6.46	8.05	49,165	-	-	-	(9,166)	39,999	3.90
2018	0.16	0.20	44,422	-	-	-	(7,826)	36,596	4.24
2019	4.30	5.36	725,518	-	-	-	(147,820)	577,698	2.83
2020	6.60	8.23	603,440	-	-	(303,000)	(39,233)	261,207	6.43
2021	17.94	22.37	822,984	-	(71,819)	(24,286)	(64,535)	662,344	7.12
2022	14.83	18.49	1,594,443	-	(130,063)	(44,517)	-	1,419,863	8.09
2023	11.13	13.88	-	2,567,942	(289,599)	(8,025)	(729)	2,269,589	9.14
Total (ADSs)			**3,857,162**	**2,567,942**	**(491,481)**	**(379,828)**	**(269,309)**	**5,284,486**	
Total (Ordinary Shares)			**11,571,487**	**7,703,826**	**(1,474,443)**	**(1,139,484)**	**(807,927)**	**15,853,459**	

ADSs represent three ordinary shares and the exercise price was also converted to represent an ADS price at an exchange rate equal to the closing current year currency conversion of sterling pounds to US dollars, which was 1.25 sterling pounds to 1 US Dollar.

The market price of Company shares at the year-end was $17.37/ADS or ($5.79 or 464 pence/share). (2022: $15.25/ADS ($5.08 or 420 pence/share); 2021: $23.89/ADS ($7.96 or 590 pence/share)). During the year the minimum and maximum prices were $4.61 and $17.67 per ADS (123 pence and 472 pence per ordinary share), respectively (2022: 215 pence and 680 pence; 2021: 443 pence and 680 pence).

23. Equity-settled share-based payments

The Group has issued share options under the 2018 Long Term Incentive Plan (LTIP), 2018 Non-Employee Long Term Inventive Plan (Non-Employee LTIP), and individual share option contracts, open to all employees of the Group, as well as EMI shares (none of which remain outstanding at December 31, 2023). Under the LTIP, Non-Employee LTIP, individual contracts and schemes available, the options typically vest after 3 years, with the exception of some options granted to certain members of key management personnel. The vesting period for these options ranges from 3 to 33 months. The options usually lapse after one year following the employee leaving the Group.

	2023			2022			2021	
	Number of ADSs(1)	**Weighted Average Exercise price**	**Weighted Average Exercise price**	Number of ADSs(1)	Weighted Average Exercise price	Weighted Average Exercise price	Number Of Shares	Weighted Average Exercise price
		$	**Pence per share**		$	Pence per share		Pence per share
Options								
Outstanding at the beginning of the year	**3,857,162**	**15.10**	**403.63**	2,684,233	7.32	605.63	6,768,894	226.83
Granted during the year	**2,567,942**	**14.01**	**374.49**	1,940,377	22.30	1,844.41	2,259,153	554.60
Lapsed or forfeited during the year	**(871,309)**	**18.50**	**494.51**	(709,531)	29.25	2,419.76	(563,541)	146.02
Exercised during the year	**(269,309)**	**1.89**	**50.52**	(57,917)	3.20	265.05	(411,807)	116.62
Outstanding at the year-end (ordinary shares/pence)							8,052,699	329.74
Outstanding at the year-end (ADS/$)	**5,284,486**	**14.80**	**395.61**	3,857,162	15.10	1,248.95	2,684,233	7.32
Exercisable at the year-end	**2,420,614**	**14.34**	**383.31**	1,889,460	13.24	1,095.01	2,503,504	263.45

The table above shows the number of options in relation to ordinary shares and equivalent ADSs outstanding and exercisable at year end, on the conversion ratio of three ordinary share options to one ADS as disclosed in note 24.

The options outstanding at the year-end have a weighted average remaining contractual life of 7.68 years (2022: 8.2 years; 2021: 8.3 years). The weighted average share price at the time of exercise during the year was 274 pence per ordinary share or $10.26 per ADS (2022: 318.31 pence; 2021: 575.39 pence).

The Group granted 7,703,826 share options during the year (2022: 5,821,131; 2021: 2,259,153). The fair value of options granted were calculated using Black Scholes model for 2023 and 2022. Prior to January 1, 2022, the fair value of options granted were calculated using a Binomial or Monte Carlo model. Inputs into the model were as follows:

	2023	2022	2021
Inputs and assumptions for options granted in the year:			
Weighted average share price (pence)	**375.0**	537.4	586.0
Weighted average ADS price ($)	**14.0**	19.5	
Weighted average exercise price (pence)	**375.0**	673.8	520.0
Weighted average ADS price ($)	**14.0**	24.4	
Option life (years)	**6.0**	8.9	10.0
Expected volatility	**72%-79%**	56%-74%	65%-70%
Risk free rate	**3.16%-4.43%**	1.16%-3.57%	0.28%-1.04%
Expected dividend yield	**nil**	nil	nil

The Group recognized total charges of £13.1 million (2022: £10.3 million; 2021: £8.6 million) related to equity settled share-based payment transactions during the year.

Fair value of the grants has been calculated using volatility assumptions between 56% and 74%, based on the three year historical volatility as at the respective date of grant.

The Group does not bear any responsibility to settle any employee tax obligations that arise on the exercise of share options. The estimated employer tax obligation on outstanding options at the year-end was £0.2 million (2022: £0.4 million; 2021: £0.6 million).

24. Capital reserves

The capital redemption reserve was created in 2012 following the reduction of nominal share capital to 0.1p per share. It is required under Section 733 of the Companies Act 2006, held to maintain the capital of the Company when shares are bought back and subsequently cancelled without court approval.

Due to the size of the deficit on the accumulated losses account, the Company has no distributable reserves.

The share premium account reflects the premium to nominal value paid on issuing shares less costs related to the issue. The merger reserve was created on issuance of shares relating to the acquisition of Silence Therapeutics GmbH.

The share-based payments reserve reflects the cost to issue share-based compensation, primarily employee share options.

	Share Premium account	Merger reserve	Share-based Payment reserve	Capital redemption reserve	Total
	£000s	£000s	£000s	£000s	£000s
At January 1, 2021	153,734	22,248	5,715	5,194	186,891
Shares issued	32,585	-	-	-	32,585
On options in issue during the year	-	-	8,632	-	8,632
On options exercised during the year	460	-	(659)	-	(199)
Costs capitalized in respect of issuance of shares during the period	(2,447)				(2,447)
Movement in the year	30,598	-	7,973	-	38,571
At December 31, 2021	184,332	22,248	13,688	5,194	225,462
Shares issued	45,533	-	-	-	45,533
On options in issue during the year	-	-	10,252	-	10,252
On options exercised during the year	153	-	(192)	-	(39)
Costs capitalized in respect of issuance of shares during the period	(3,348)				(3,348)
Movement in the year	42,338	-	10,060	-	52,398
At December 31, 2022	226,670	22,248	23,748	5,194	277,860
Shares issued	25,411	-	-	-	25,411
On options in issue during the year	-	-	13,050	-	13,050
On options exercised during the year	381	-	(1,918)	-	(1,537)
Costs capitalized in respect of issuance of shares during the period	(1,015)	-	-	-	(1,015)
Movement in the year	24,777	-	11,132	-	35,909
At December 31, 2023	**251,447**	**22,248**	**34,880**	**5,194**	**313,769**

25. Capital commitments and contingent liabilities

There were no capital commitments at December 31, 2023 (2022: nil; 2021: nil).

26. Commitments under short leases

At December 31, 2023, the Group had a gross commitment on its office rental and service charge in Berlin, Germany and the Hoboken, U.S. lease equal to £0.4 million (2022: £0.3 million; 2021: £0.3million) in the next year. No amounts are payable after more than one year.

In addition, the Group enters into contracts in the normal course of business with contract research organizations to assist in the performance of research and development activities and other services and products for operating purposes. These contracts generally provide for termination on notice, and therefore are cancellable contracts and not reflected in the disclosure above.

27. Financial instruments and risk management

The Group's financial instruments comprise primarily cash and other financial assets and various items such as receivables and trade payables which arise directly from its operations. The main purpose of these financial instruments is to provide working capital for the Group's operations. The Group assesses counterparty risk on a regular basis. Board approval is required for adoption of any new financial instrument or counterparty. The primary focus of the treasury function is preservation of capital.

The Directors consider that the carrying amount of these financial instruments approximates to their fair value.

Financial assets by category

The categories of financial assets included in the balance sheet and the heading in which they are included are as follows. The measurement of financial assets is at amortized cost unless otherwise stated:

	December 31, 2023	2022
	£000s	£000s
Trade receivables	**228**	915
Cash and cash equivalents	**54,031**	54,816
Financial assets at amortized costs - U.S.Treasury Bills	**-**	16,328
Non-current financial assets at amortized cost	**284**	284
	54,543	72,343

Financial liabilities by category

	December 31, 2023	2022
	£000s	£000s
Trade and other payables	**12,429**	12,166
Lease liability	**272**	446
	12,701	12,612

All amounts are short-term with trade and other payables due in less than 6 months. The lease liability is £0.1 million due within 6 months and £0.1 million due in 6 to 12 months. £0.1 million is due between 1 to 2 years.

Credit quality of financial assets (fixed term deposits and receivables)

The maximum exposure to credit risk at the reporting date by class of financial asset was:

	December 31, 2023	2022
	£000s	£000s
Trade receivables	**228**	915
Financial assets at amortized cost – non-current	**284**	284
Financial assets at amortized cost – current	**-**	16,328
	512	17,527

Cash and cash equivalents, term deposits and U.S. Treasury Bills are not considered to be exposed to significant credit risk due to the fact they are held in a financial institution with an "A" rating. The Group considers the possibility of significant loss in the event of non-performance by a financial counterparty to be remote.

The Group regularly monitors the creditworthiness of its collaborators and at the reporting date, no financial assets are credit impaired.

Capital management

The Group considers its capital to be equal to the sum of its total equity. The Group monitors its capital using a number of measures including cash flow projections, working capital ratios, the cost to achieve preclinical and clinical milestones and potential revenue from existing partnerships and ongoing licensing activities. The Group's objective when managing its capital is to ensure it obtains sufficient funding for continuing as a going concern. The Group funds its capital requirements through the issue of new shares to investors, milestone and research support payments received from existing licensing partners and potential new licensees.

Interest rate risk

The nature of the Group's activities and the basis of funding are such that the Group has significant liquid resources. The Group uses these resources to meet the cost of future research and development activities. Consequently, it seeks to minimize risk in the holding of its bank deposits while maintaining a reasonable rate of interest. The Group is not financially dependent on the income earned on these resources and therefore the risk of interest rate fluctuations is not significant to the business. Nonetheless, the Directors take steps to secure rates of interest which generate a return for the Group.

Credit and liquidity risk

Credit risk is managed on a Group basis. Funds are deposited with financial institutions with a credit rating equivalent to, or above, the main U.K. clearing banks. The Group's liquid resources are invested having regard to the timing of payments to be made in the ordinary course of the Group's activities. All financial liabilities are payable in the short term (between zero and three months) and the Group maintains adequate bank balances in either instant access or short-term deposits to meet those liabilities as they fall due.

The Group only enters into collaboration agreements with large, reputable companies and the creditworthiness of collaborators is monitored on an ongoing basis.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Expected loss rates are based on payment profiles of past receivables and the aging profiles of outstanding balances at the reporting period end date. The historical loss rates are adjusted to reflect
current and forward-looking information on macroeconomic factors affecting the ability of the customer to settle the receivables. At the year-end there were no debts that were past due or are expected to be past due. It was therefore concluded on this basis that there were no expected credit losses for the trade receivable.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery includes, but is not limited to, a failure to engage in a repayment plan with the Group.

Currency risk

The Group operates in a global market with revenue possibly arising in a number of different currencies, principally in US dollars, sterling or euros. The majority of the operating costs are incurred in euros with the rest predominantly in sterling. Additionally, to a lesser extent, a number of operating costs are incurred in US dollars. The Group makes use of forward contracts to reduce its exposure to foreign currency risk where the existence, timing and quantum of future cash inflows can be accurately predicted.

Financial assets and liabilities denominated in euros and translated into sterling at the closing rate were:

	December 31, 2023	2022
	£000s	£000s
Financial assets	**3,254**	2,302
Financial liabilities	**(1,541)**	(1,279)
Net financial liabilities	**1,713**	1,023

Financial assets and liabilities denominated in US dollars and translated into sterling at the closing rate were:

	December 31, 2023	2022
	£000s	£000s
Financial assets	**54,664**	53,086
Financial liabilities	**(3,290)**	(2,947)
Net financial assets	**51,374**	50,139

The following table illustrates the sensitivity of the net result for the year and the reported financial assets of the Group in regard to the exchange rate for sterling against the euro.

During the year sterling rose by 2% (2022: 1%) against the euro. The table shows the impact of an additional weakening or strengthening of sterling against the euro by 20%.

	As reported	If sterling rose 20%	If sterling fell 20%
	£000s	**£000s**	**£000s**
2023			
Group result for the year	(43,267)	(40,221)	(47,836)
Euro denominated net financial liabilities	1,713	1,428	2,141
Total equity at December 31, 2022	17,050	16,765	17,478
2022			
Group result for the year	(40,489)	(37,572)	(44,865)
Euro denominated net financial liabilities	1,023	853	1,279
Total equity at December 31, 2021	22,072	21,902	22,328
2021			
Group result for the year	(39,410)	(35,618)	(45,099)
Euro denominated net financial liabilities	(1,360)	(1,133)	(1,700)
Total equity at December 31, 2020	8,526	8,753	8,186

The following table illustrates the sensitivity of the net result for the year and the reported financial assets of the Group in regards to the exchange rate for sterling against the U.S. dollar.

During the year sterling increased by 5% (2022: 10% decrease) against the U.S. dollar. The table shows the impact of an additional weakening or strengthening of sterling against the US dollar by 20%.

	As reported £000s	If sterling rose 20% £000s	If sterling fell 20% £000s
2023			
Group result for the year	(43,267)	(42,958)	(43,730)
U.S. dollar denominated net financial assets	51,374	42,812	64,218
Total equity at December 31, 2022	17,050	8,488	29,894
2022			
Group result for the year	(40,489)	(37,013)	(45,703)
U.S. dollar denominated net financial assets	50,139	41,783	62,674
Total equity at December 31, 2021	22,072	13,716	34,607
2021			
Group result for the year	(39,410)	(36,308)	(44,063)
U.S. dollar denominated net financial assets	10,372	8,643	12,965
Total equity at December 31, 2020	8,526	6,797	11,119

28. Notes to the cash flow statement

Changes in liabilities arising from financing activities.

	January 1, 2023 £000s	Cash flows from financing activities : Repayments £000s	Non-cash flows: New lease liabilities £000s	December 31, 2023 £000s
Lease liabilities	446	(174)	-	272
Total liabilities from financing activities	446	(174)	-	272

29. Related party transactions

Since January 1, 2021, we have engaged in the following transactions with our directors, executive officers or holders of more than 10% of our outstanding share capital and their affiliates, which we refer to as our related parties.

In 2022, the Company agreed to pay Gladstone Consultancy Partnership, a company controlled by the Company's Non-Executive Chairman, Iain Ross, £60 thousand (plus any applicable value added tax) for consulting and advisory services provided by Mr. Ross. Gladstone Consulting Partnership is no longer being engaged by the Company in 2023.

Key management are considered to be Directors of the Group. Directors' compensation is discussed in Item 6.

30. Post balance sheet events

In January 2024, we raised proceeds of $20 million before deducting $0.6 million in placement agent fees and other expenses, from sales of ADSs under our Sales Agreement.

On February 5, 2024 the Group announced a private placement of 5,714,286 of the Company's American Depositary Shares ("ADSs"), each representing three ordinary shares, at a price of US $21.00 per ADS, with new and existing institutional and accredited investors (the "Private Placement"). The aggregate gross proceeds of the Private Placement was US $120 million (approximately £94.5 million) before deducting approximately £5.7 million in placement agent fees and other expenses. The financing syndicate included 5AM Ventures, Frazier Life Sciences, Logos Capital, Nextech Invest Ltd (on behalf of one or more funds managed by it), Redmile Group, TCGX and Vivo Capital.

In March 2024, Mallinckrodt notified us that they will not pursue further development of SLN501 following the completion of the phase 1 clinical trial. This will conclude all activities and commitments under the collaboration agreement.

Exhibit 2.3

DESCRIPTION OF SHARE CAPITAL AND ARTICLES OF ASSOCIATION

Set forth below is a summary of certain information concerning our share capital as well as a description of certain provisions of our articles of association, or the Articles, and relevant provisions of the U.K. Companies Act 2006, or the Companies Act. The summary below contains only material information concerning our share capital and corporate status and does not purport to be complete and is qualified in its entirety by reference to the Articles, which are filed as Exhibit 1.1 to the Annual Report on Form 20-F (the "Annual Report"). Further, please note that holders of our American Depositary Shares, or ADSs, will not be treated as one of our shareholders and will not have any shareholder rights.

General

We were incorporated as a public limited company under the laws of England and Wales on November 18, 1994 under the name Stanford Rook Holdings plc with company number 2992058. On June 21, 1999 we changed our name to SR Pharma plc. On April 26, 2007, we changed our name to Silence Therapeutics plc. Our principal executive offices are located at 72 Hammersmith Road, London W14 8TH, United Kingdom and our telephone number is +44 (0)20-3457-6900. Our registered office address is 27 Eastcastle Street, London, W1W 8DH. Our ADSs were listed on the Nasdaq Capital Market under the symbol "SLN" in September 2020. In June 2021, we moved our Nasdaq listing from the Nasdaq Capital Market tier to the Nasdaq Global Market tier. Our ordinary shares were traded on AIM under the symbol "SLN," but were delisted with effect from November 30, 2021. Our website address is *www.silence-therapeutics.com*. The information contained on, or that can be accessed from, our website does not form part of this summary. Our agent for service of process in the United States is Silence Therapeutics Inc., with a registered address at 221 River Street, Hoboken, New Jersey 07030 USA.

The principal legislation under which we operate and under which our ordinary shares are issued is the Companies Act.

As of March 1, 2024, we had 139,506,817 ordinary shares issued and outstanding, with a nominal value of £0.05 per ordinary share. Each issued ordinary share is fully paid.

Ordinary Shares

In accordance with the Articles, the following summarizes the rights of holders of our ordinary shares:

- each holder of our ordinary shares is entitled to one vote per ordinary share on all matters to be voted on by shareholders generally;
- the holders of the ordinary shares shall be entitled to receive notice of, attend, speak and vote at our general meetings; and
- holders of our ordinary shares are entitled to receive such dividends as are recommended by our directors and declared by our shareholders.

Options

As at March 1, 2024, there were options to purchase 18,780,849 ordinary shares outstanding with a weighted average exercise price of £4.06 per ordinary share. The options generally lapse after 10 years from the date of the grant.

Share Register

We are required by the Companies Act to keep a register of our shareholders. Under the laws of England and Wales, the ordinary shares are deemed to be issued when the name of the shareholder is entered in our share register. The share register therefore is prima facie evidence of the identity of our shareholders, and the shares that they hold. The

share register generally provides limited, or no, information regarding the ultimate beneficial owners of our ordinary shares. Our share register is maintained by our registrar, Link Market Services Limited, trading as Link Group.

Holders of our ADSs will not be treated as one of our shareholders and their names will therefore not be entered in our share register. The depositary, the custodian or their nominees will be the holder of the ordinary shares underlying our ADSs. Holders of our ADSs have a right to receive the ordinary shares underlying their ADSs. For discussion on our ADSs and ADS holder rights see "Description of American Depositary Shares" filed as Exhibit 2.4 to the Annual Report.

Under the Companies Act, we must enter an allotment of shares in our share register as soon as practicable and in any event within two months of the allotment. We also are required by the Companies Act to register a transfer of shares (or give the transferee notice of and reasons for refusal) as soon as practicable and in any event within two months of receiving notice of the transfer.

We, any of our shareholders or any other affected person may apply to the court for rectification of the share register if:

- the name of any person, without sufficient cause, is wrongly entered in or omitted from our register of shareholders; or

- there is a default or unnecessary delay in entering on the register the fact of any person having ceased to be a shareholder or on which we have a lien, provided that such refusal does not prevent dealings in the shares taking place on an open and proper basis.

Preemptive Rights

The laws of England and Wales generally provide shareholders with preemptive rights when new shares or rights to subscribe for, or convert securities into, new shares are issued for cash; however, it is possible for the articles of association, or shareholders in a general meeting, to disapply preemptive rights. Such a disapplication of preemptive rights may be for a maximum period of up to five years from the date of adoption of the articles of association, if the disapplication is contained in the articles of association, or from the date of the shareholder resolution, if the disapplication is by shareholder resolution. In either case, this disapplication would need to be renewed by our shareholders upon its expiration (*i.e.*, at least every five years).

At our 2023 annual general meeting held on April 27, 2023, our shareholders approved the disapplication of preemptive rights in respect of the allotment of equity securities (as defined in the Companies Act) up to a maximum aggregate nominal amount of £5,402,633.25. This disapplication expires on April 26, 2028.

Articles of Association

Our Articles were adopted on November 1, 2021.

A summary of the terms of the Articles is set out below. The summary below is not a complete copy of the terms of the Articles. Please refer to the full version of the Articles, which are filed as Exhibit 1.1 to the Annual Report.

Objects

The objects of our company are unrestricted.

Shares and Rights Attaching to Them

Share Rights

Subject to any special rights attaching to shares or class of shares already in issue, our shares may be issued with or have attached to them any preferred, deferred or other special rights or be subject to such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as we may by ordinary resolution of the shareholders determine or, in the absence of any such determination, as our board may determine.

Voting Rights

Subject to any rights or restrictions attached to any shares from time to time, the voting rights attaching to our shares are as follows:

- on a show of hands, every shareholder present in person shall have one vote;

- on a show of hands, each proxy present in person has one vote for and one vote against a resolution if the proxy has been duly appointed by more than one shareholder and the proxy has been instructed by one or more of those shareholders to vote for the resolution and by one or more other of those shareholders to vote against it;

- on a show of hands, each proxy present in person has one vote for and one vote against a resolution if the proxy has been duly appointed by more than one shareholder entitled to vote on the resolution and either: (1) the proxy has been instructed by one or more of those shareholders to vote for the resolution and has been given any discretion by one or more other of those shareholders to vote and the proxy exercises that discretion to vote against it; or (2) the proxy has been instructed by one or more of those shareholders to vote against the resolution and has been given any discretion by one or more other of those shareholders to vote and the proxy exercises that discretion to vote for it;

- on a show of hands, each duly authorised corporate representative has one vote;

- on a poll every shareholder who is present in person or by proxy or by corporate representative shall have one vote for each share of which he or she is the holder or in respect of which their appointment as proxy or corporate representative is made; and

- in the case of joint holders of a share, the vote of the senior holder who votes shall be accepted to the exclusion of the votes of the other joint holders (and seniority shall be determined by the order in which the names stand in the register in respect of the share).

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded. Subject to the provisions of the Companies Act, as described in "Differences in Corporate Law—Voting Rights," a poll may be demanded by:

- the chairman of the meeting;

- at least five shareholders present in person or by proxy and entitled to vote on the resolution;

- any shareholder(s) present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all shareholders having the right to attend and vote at the meeting (excluding the shares held in treasury); or

- any shareholder(s) present in person or by proxy and holding shares conferring a right to vote on the resolution at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sums paid up on all shares conferring that right (excluding the shares held in treasury).

A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall, unless the chairman of the meeting determines that it shall be decided on a show of hands, be decided on a poll.

Restrictions on Voting

No shareholder shall, unless the directors otherwise determine, be entitled to vote, either in person or by proxy, at any general meeting or at any separate class meeting in respect of any share held by such shareholder unless all calls or other sums payable by such shareholder in respect of that share have been paid.

The board may from time to time make calls upon the shareholders in respect of any money unpaid on their shares and each shareholder shall (subject to us serving on such shareholder at least 14 days' notice specifying the time or times and place of payment) pay at the time or times so specified the amount called on such holder's shares.

Dividends

We may by ordinary resolution of shareholders declare dividends out of profits available for distribution in accordance with the respective rights of shareholders but no such dividend shall exceed the amount recommended by the directors. The directors may from time to time pay shareholders such interim dividends as they think fit and may also pay the fixed dividends payable on any shares of the company half-yearly or otherwise on fixed dates. If the directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

Subject to any special rights attaching to or the terms of issue of any share, all dividends shall be declared and paid according to the amounts paid up on the shares and shall be apportioned and paid proportionately according to the amounts paid up on the shares during any part or parts of the period in respect of which the dividend is paid.

Subject to any rights attaching to or the terms of issue of any shares, no dividend or other monies payable by us on or in respect of any share shall bear interest against us. Any dividend unclaimed after a period of 12 years from the date such dividend became due for payment shall be forfeited and shall revert to us.

Dividends may be declared or paid in any currency or currencies and the board may decide the rate of exchange for any currency conversions that may be required, and how any costs involved are to be met.

Any general meeting declaring a dividend may by ordinary resolution of shareholders, upon the recommendation of the board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets other than cash, and in particular of paid up shares or debentures of any other company. The directors may, if authorized by ordinary resolution of shareholders, offer any holders of ordinary shares the right to elect to receive in lieu of a dividend an allotment of ordinary shares credited as fully paid up, subject to such exclusions and other arrangements as the board may deem necessary or expedient to deal with legal or practical problems in respect of overseas shareholders or in respect of shares represented by depositary receipts.

Change of Control

There is no specific provision in the Articles that would have the effect of delaying, deferring or preventing a change of control.

Distributions on Winding Up

On a winding up, the liquidator may, with the sanction of a special resolution of shareholders and any other sanctions required by law, divide amongst the shareholders (excluding the company itself to the extent it is a shareholder by virtue only of its holding of shares as treasury shares) in specie or in kind the whole or any part of our assets (whether they shall consist of property of the same kind or not) and may set such values as he or she deems fair upon any property to be divided and may determine how such division shall be carried out as between the shareholders or different classes of shareholder. The liquidator may, with the sanction of a special resolution of the shareholders and any other sanctions required by law, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the shareholders as the liquidator shall think fit, but no shareholder shall be compelled to accept any shares or other assets upon which there is any liability.

Variation of Rights

All or any of the rights and restrictions attached to any class of shares issued may be abrogated or varied with the consent in writing of the holders of at least three-quarters in nominal value of the issued shares of that class (excluding any shares held as treasury shares) or by special resolution passed at a separate general meeting of the holders of such class of shares, subject to the Companies Act and the terms of their issue. The Companies Act provides a right to object to the variation of the share capital by the shareholders who did not vote in favor of the variation. Should an aggregate of 15% of the shareholders of the issued shares in question apply to the court to have the variation cancelled, the variation shall have no effect unless and until it is confirmed by the court.

Alteration to Share Capital

We may, by ordinary resolution of shareholders, consolidate all or any of our share capital into shares of larger nominal amount than our existing shares, or sub-divide our shares or any of them into shares of a smaller amount. We may, by special resolution of shareholders, confirmed by the court, reduce our share capital, any capital redemption reserve or any share premium account in any manner authorized by the Companies Act. We may redeem or purchase all or any of our shares as described in "Other English Law Considerations—Purchase of Own Shares."

Preemption Rights

In certain circumstances, our shareholders may have statutory preemption rights under the Companies Act in respect of the allotment of new shares as described in "Preemptive Rights" and "Differences in Corporate Law—Preemptive Rights."

Transfer of Shares

Any certificated shareholder may transfer all or any of his, her or its shares by an instrument of transfer in any usual or common form or in any other manner which is permitted by the Companies Act and approved by the board. Any written instrument of transfer shall be signed by or on behalf of the transferor and in the case of a partly paid share, the transferee.

The board may decline to register any transfer of any share:

- which is not a fully paid share, provided that, where any such shares or securities are listed on any stock exchange, such discretion may not be exercised in a way in which the U.K. Financial Conduct Authority, the London Stock Exchange or any other relevant regulator or stock exchange regards as preventing dealing in shares or other securities from taking place on an open and proper basis;

- unless any written instrument of transfer, duly stamped (if required), is deposited with us at our registered office or such other place as the board may from time to time determine, accompanied by the certificate for the shares to which it relates;

- unless there is provided such evidence as the board may reasonably require to show the right of the transferor to make the transfer and if the instrument of transfer is executed by some other person on his, her or its behalf, the authority of that person to do so;

- where the transfer is in respect of more than one class of share; and

- in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred exceeds four.

If the board declines to register a transfer of a certificated share it shall, as soon as practicable and in any event within two months after the date on which the transfer is lodged, send to the transferee notice of the refusal, together with reasons for the refusal.

Shareholder Meetings

Annual General Meetings

In accordance with the Companies Act, we are required in each year to hold an annual general meeting in addition to any other general meetings in that year and to specify the meeting as such in the notice convening it. The annual general meeting shall be convened at such time and place and with such additional means of attendance and participation (including at such other place(s) and/or by means of an electronic facility or facilities) as the board sees fit, subject to the requirements of the Companies Act, as described in "Differences in Corporate Law—Annual General Meeting" and "Differences in Corporate Law—Notice of General Meetings."

Notice of General Meetings

The arrangements for the calling of general meetings are described in "Differences in Corporate Law—Notice of General Meetings."

Quorum of General Meetings

No business shall be transacted at any general meeting unless a quorum is present. At least two shareholders present in person or by proxy and entitled to vote shall be a quorum.

Class Meetings

The provisions in the Articles relating to general meetings apply to every separate general meeting of the holders of a class of shares except that:

- the quorum for such class meeting shall be two holders in person or by proxy representing not less than one-third in nominal value of the issued shares of the class (excluding any shares held in treasury);

- at the class meeting, a holder of shares of the class present in person or by proxy may demand a poll and shall on a poll be entitled to one vote for every share of the class held by him or her; and

- if at any adjourned meeting of such holders a quorum is not present at the meeting, one holder of shares of the class present in person or by proxy at an adjourned meeting constitutes a quorum.

Directors

Number of Directors

Unless and until otherwise determined by an ordinary resolution of shareholders, we may not have less than two directors on the board of directors but are not subject to any maximum number of directors.

Appointment of Directors

Subject to the provisions of the Articles, we may, by ordinary resolution of the shareholders, elect any person who is willing to act to be a director, either to fill a casual vacancy or as an addition to the existing board. However, any person that is not a director retiring from the existing board must be recommended by the board of directors, or be proposed by a shareholder not less than seven and not more than 42 days before the date appointed for the meeting in order to be eligible for election.

Without prejudice to the power to appoint any person to be a director by shareholder resolution, the board has power to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing board but so that the total number of directors does not exceed any maximum number fixed by or in accordance with the Articles.

Any director appointed by the board will hold office only until the following annual general meeting. Such a director is eligible for re-appointment at that meeting.

Rotation of Directors

At every annual general meeting, there shall retire from office any director who shall have been a director at each of the preceding two annual general meetings and who was not appointed or re-appointed by us in general meeting at, or since, either such meeting. A retiring director shall be eligible for re-appointment. A director retiring at a meeting shall, if he or she is not re-appointed at such meeting, retain office until the meeting appoints someone in his or her place, or if it does not do so, until the conclusion of such meeting.

Directors' Interests

The directors may authorize, to the fullest extent permitted by law, any matter proposed to them which would otherwise result in a director infringing his or her duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with our interests. A director shall not, save as otherwise agreed by him or her, be accountable to us for any benefit which he or she derives from any matter authorized by the directors and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

Subject to the requirements under sections 175, 177 and 182 of the Companies Act, a director who is any way, whether directly or indirectly, interested in a proposed or existing transaction or arrangement with us shall declare the nature of his interest at a meeting of the directors.

A director shall not vote in respect of any contract, arrangement or transaction whatsoever in which he or she has an interest which is to his or her knowledge a material interest otherwise than by virtue of interests in shares or debentures or other securities of or otherwise in or through our company. A director shall not be counted in the quorum at a meeting in relation to any resolution on which he or she is debarred from voting.

A director shall be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters:

- the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or her or by any other person at the request of or for the benefit of our company or any of our subsidiary undertakings;

- the giving of any guarantee, security or indemnity in respect of a debt or obligation of our company or any of our subsidiary undertakings for which he or she has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

- any proposal concerning an offer of securities of or by our company or any of our subsidiary undertakings in which offer he or she is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he or she is to participate;

- any contract, arrangement or transaction concerning any other body corporate in which he or she or any person connected with him or her (within the meaning of sections 252-5 of the Companies Act) is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he or she and any persons so connected with him or her do not to his or her knowledge hold an interest (within the meaning of sections 820 to 825 of the Companies Act) in one percent or more of any class of the equity share capital of such body corporate or of the voting rights available to members of the relevant body corporate;

- any contract, arrangement or transaction for the benefit of employees of our company or any of our subsidiary undertakings which does not accord to him or her any privilege or advantage not generally accorded to the employees to whom the scheme relates;

- any contract, arrangement or transaction concerning any insurance which our company is to purchase and/or maintain for, or for the benefit of, any directors or persons including directors;

- the giving of an indemnity in relation to another director; and

- the provision of funds to any director to meet, or the doing of anything to enable a director to avoid incurring, expenditure of the nature described in section 205(1) or 206 of the Companies Act.

If a question arises at a meeting of the board or of a committee of the board as to the right of a director to vote or be counted in the quorum, and such question is not resolved by his or her voluntarily agreeing to abstain from voting or not to be counted in the quorum, the question shall be determined by the chairman and his or her ruling in relation to any director other than himself or herself shall be final and conclusive except in a case where the nature or extent of the interest of the director concerned has not been fairly disclosed.

Directors' Fees and Remuneration

Each of the directors shall be paid a fee in such sums as may from time to time be determined by the directors provided that the aggregate of all such fees so paid to directors shall not exceed £500,000 per annum, or such higher amount as may from time to time be determined by ordinary resolution of shareholders.

Each director may be paid all his or her reasonable traveling, hotel and other expenses properly incurred in attending and returning from meetings of the directors or committees of the directors or general meetings of the company or separate meetings of the holders of any class of shares or debentures of the company or otherwise in connection with the business of our company.

Any director who is appointed to any executive office or who serves on any committee or who devotes special attention to the business of our company, or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the directors may determine.

Borrowing Powers

The board may exercise all the powers to borrow money and to mortgage or charge our undertaking, property and assets (present or future) and uncalled capital or any part thereof and to issue debentures, debenture stock and other securities, whether outright or as collateral security for any debt, liability or obligation of us or of any third party.

The board must restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries so as to secure that the aggregate amount remaining outstanding of all monies borrowed by the Company and its subsidiaries shall not at any time, without the previous sanction of an ordinary resolution of the shareholders, exceed a sum equal to five (5) times the aggregate of:

- the amount paid up on the issued share capital of the Company; and

- the total of the capital and revenue reserves of the Company and its subsidiaries (including any share premium account, capital redemption reserve and credit balance on the profit and loss or income account) in each case, whether or not such amounts are available for distribution;

all as shown in the latest audited consolidated balance sheet, subject to certain adjustments.

Indemnity

Every director or other officer of our group may be indemnified against all costs, charges, expenses, losses and liabilities sustained or incurred by him or her in connection with the actual or purported execution and/or discharge of his or her duties (including those duties, powers and discretions in relation to any members of our group) including all costs, charges, expenses, losses and liabilities suffered or incurred in disputing, defending, investigating or providing evidence in connection with any actual or threatened claims or otherwise. Every director or other officer of our group may also be provided with funds to meet, or do anything to enable a director or other officer of the Company to avoid incurring, expenditure of the nature described in sections 205(1) or 206 of the Companies Act.

Exclusive jurisdiction

The Articles will provide that, unless we consent in writing to the selection of an alternative forum in the United States of America, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Save in respect of any cause of action arising under the Securities Act, by subscribing for or acquiring shares, a shareholder submits all disputes between him or herself and us or our directors to the exclusive jurisdiction of the English courts.

Other English Law Considerations

Mandatory Purchases and Acquisitions

Pursuant to Sections 979 to 991 of the Companies Act, where a takeover offer has been made for us and the offeror has acquired or unconditionally contracted to acquire not less than 90% in value of the shares to which the offer relates and not less than 90% of the voting rights carried by those shares, the offeror may give notice to the holder of any

shares to which the offer relates which the offeror has not acquired or unconditionally contracted to acquire that he, she or it wishes to acquire, and is entitled to so acquire, those shares on the same terms as the general offer. The offeror would do so by sending a notice to the outstanding minority shareholders telling them that it will compulsorily acquire their shares.

Such notice must be sent within three months of the last day on which the offer can be accepted in the prescribed manner. The squeeze-out of the minority shareholders can be completed at the end of six weeks from the date the notice has been given, subject to the minority shareholders failing to successfully lodge an application to the court to prevent such squeeze-out any time prior to the end of those six weeks following which the offeror can execute a transfer of the outstanding shares in its favor and pay the consideration to us, which would hold the consideration on trust for the outstanding minority shareholders. The consideration offered to the outstanding minority shareholders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

Sell Out

The Companies Act also gives our minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer for all of our shares. The holder of shares to which the offer relates, and who has not otherwise accepted the offer, may require the offeror to acquire his, her or its shares if, prior to the expiry of the acceptance period for such offer, (1) the offeror has acquired or unconditionally agreed to acquire not less than 90% in value of the voting shares, and (2) not less than 90% of the voting rights carried by those shares. The offeror may impose a time limit on the rights of minority shareholders to be bought out that is not less than three months after the end of the acceptance period. If a shareholder exercises his, her or its rights to be bought out, the offeror is required to acquire those shares on the terms of this offer or on such other terms as may be agreed.

Disclosure of Interest in Shares

Pursuant to Part 22 of the Companies Act, we are empowered by notice in writing to any person whom we know or have reasonable cause to believe to be interested in our shares, or at any time during the three years immediately preceding the date on which the notice is issued has been so interested, within a reasonable time to disclose to us particulars of that person's interest and (so far as is within such person's knowledge) particulars of any other interest that subsists or subsisted in those shares.

Under the Articles, if a person defaults in supplying us with the required particulars in relation to the shares in question, or default shares, within the prescribed period of 14 days from the date of the service of notice, the directors may by notice direct that:

- in respect of the default shares, the relevant shareholder shall not be entitled to vote (either in person or by proxy) at any general meeting or to exercise any other right conferred by a shareholding in relation to general meetings; and

- where the default shares represent at least 0.25% of their class, (a) any dividend or other money payable in respect of the default shares shall be retained by us without liability to pay interest and/or (b) no transfers by the relevant shareholder of any default shares may be registered (unless the shareholder is not in default and the shareholder provides a certificate, in a form satisfactory to the directors, to the effect that after due and careful enquiry the shareholder is satisfied that none of the shares to be transferred are default shares).

Purchase of Own Shares

Under the laws of England and Wales, a limited company may only purchase its own shares out of the distributable profits of the company or the proceeds of a fresh issue of shares made for the purpose of financing the purchase, provided that they are not restricted from doing so by their articles of association. A limited company may not purchase its own shares if, as a result of the purchase, there would no longer be any issued shares of the company other than redeemable shares or shares held as treasury shares. Shares must be fully paid in order to be repurchased.

We may purchase our own fully paid shares pursuant to a purchase contract authorized by resolution of shareholders before the purchase takes place. Any authority will not be effective if any shareholder from whom we propose to purchase shares votes on the resolution and the resolution would not have been passed if he, she or it had not done so. The resolution authorizing the purchase must specify a date, not being later than five years after the passing of the resolution, on which the authority to purchase is to expire.

Distributions and Dividends

Under the Companies Act, before a company can lawfully make a distribution or dividend, it must ensure that it has sufficient distributable reserves (on a non-consolidated basis). The basic rule is that a company's profits available for the purpose of making a distribution are its accumulated, realized profits, so far as not previously utilized by distribution or capitalization, less its accumulated, realized losses, so far as not previously written off in a reduction or reorganization of capital duly made. The requirement to have sufficient distributable reserves before a distribution or dividend can be paid applies to us and to each of our subsidiaries that has been incorporated under the laws of England and Wales.

It is not sufficient that we, as a public company, have made a distributable profit for the purpose of making a distribution. An additional capital maintenance requirement is imposed on us to ensure that the net worth of the company is at least equal to the amount of its capital. A public company can only make a distribution:

- if, at the time that the distribution is made, the amount of its net assets (that is, the total excess of assets over liabilities) is not less than the total of its called up share capital and undistributable reserves; and

- if, and to the extent that, the distribution itself, at the time that it is made, does not reduce the amount of the net assets to less than that total.

City Code on Takeovers and Mergers

The Takeover Code applies to an offer for a public company whose securities have been admitted to trading on a multilateral trading facility in the United Kingdom, which includes AIM, at any time during the 10 years prior to the relevant date of an offer, provided that (i) the registered office of the company is in the United Kingdom and (ii) the company is considered by the Panel on Takeovers and Mergers, or the Takeover Panel, to have its place of central management and control in the United Kingdom. The way in which the test for central management and control is applied for the purposes of the Takeover Code may be different from the way in which it is applied by the United Kingdom tax authorities. Under the Takeover Code, the Takeover Panel looks to where the majority of the directors are resident, amongst other factors, for the purposes of determining where a company has its place of central management and control. The Takeover Panel has confirmed that based on the current composition of our board, the Takeover Code will continue to apply to us. However, the Takeover Code could cease to apply if in the future if any changes to the board composition result in the majority of the directors not being resident in the United Kingdom, Channel Islands and Isle of Man. Our articles of association have been amended to include certain important protections which would apply in the event that the Takeover Code ceases to apply.

We are therefore currently subject to the Takeover Code.

The Takeover Code provides a framework within which takeovers of companies subject to it are conducted. In particular, the Takeover Code contains certain rules in respect of mandatory offers. Under Rule 9 of the Takeover Code, if a person:

- acquires an interest in our shares which, when taken together with shares in which he or she or persons acting in concert with him or her are interested, carries 30% or more of the voting rights of our shares; or

- who, together with persons acting in concert with him or her, is interested in shares that in the aggregate carry not less than 30% and not more than 50% of the voting rights of our shares, and such persons, or any

person acting in concert with him or her, acquires additional interests in shares that increase the percentage of shares carrying voting rights in which that person is interested,

the acquirer and depending on the circumstances, its concert parties, would be required (except with the consent of the Takeover Panel) to make a cash offer for our outstanding shares at a price not less than the highest price paid for any interests in the shares by the acquirer or its concert parties during the previous twelve months.

Exchange Controls

There are no governmental laws, decrees, regulations or other legislation in the United Kingdom that may affect the import or export of capital, including the availability of cash and cash equivalents for use by us, or that may affect the remittance of dividends, interest, or other payments by us to non-resident holders of our ordinary shares or ADSs representing our ordinary shares, other than withholding tax requirements. There is no limitation imposed by the laws of England and Wales or in the Articles on the right of non-residents to hold or vote our shares.

Differences in Corporate Law

The applicable provisions of the Companies Act differ from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of certain differences between the provisions of the Companies Act applicable to us and the General Corporation Law of the State of Delaware relating to shareholders' rights and protections. This summary is not intended to be a complete discussion of shareholder rights under the laws of Delaware and the laws of England and Wales.

	England and Wales	**Delaware**
Number of Directors	Under the Companies Act, a public limited company must have at least two directors and the number of directors may be fixed by or in the manner provided in a company's articles of association.	Under Delaware law, a corporation must have at least one director and the number of directors shall be fixed by or in the manner provided in the bylaws.
Removal of Directors	Under the Companies Act, shareholders may remove a director without cause by an ordinary resolution (which is passed by a simple majority of those voting in person or by proxy at a general meeting) irrespective of any provisions of any service contract the director has with the company, provided 28 clear days' notice of the resolution has been given to the company and its shareholders. On receipt of notice of an intended resolution to remove a director, the company must forthwith send a copy of the notice to the director concerned. Certain other procedural requirements under the Companies Act must also be followed such as allowing the director to make representations against his or her removal either at the meeting or in writing.	Under Delaware law, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors, except (a) unless the certificate of incorporation provides otherwise, in the case of a corporation whose board of directors is classified, shareholders may effect such removal only for cause, or (b) in the case of a corporation having cumulative voting, if less than the entire board of directors is to be removed, no director may be removed without cause if the votes cast against his or her removal would be sufficient to elect him or her if then cumulatively voted at an election of the entire board of directors, or, if there are classes of directors, at an election of the class of directors of which he or she is a part.
Vacancies on the Board of Directors	Under the laws of England and Wales, the procedure by which directors, other than a company's initial directors, are appointed is generally set out in a company's articles of association, provided that where two or more persons are appointed as directors of a public	Under Delaware law, vacancies and newly created directorships may be filled by a majority of the directors then in office (even though less than a quorum) or by a sole remaining director unless (a) otherwise provided in the certificate of incorporation or by-laws of the corporation or (b)

	England and Wales	Delaware
	limited company by resolution of the shareholders, resolutions appointing each director must be voted on individually.	the certificate of incorporation directs that a particular class of stock is to elect such director, in which case a majority of the other directors elected by such class, or a sole remaining director elected by such class, will fill such vacancy.
Annual General Meeting	Under the Companies Act, a public limited company must hold an annual general meeting in each six-month period following our annual accounting reference date.	Under Delaware law, the annual meeting of stockholders shall be held at such place, on such date and at such time as may be designated from time to time by the board of directors or as provided in the certificate of incorporation or by the bylaws.
General Meeting	Under the Companies Act, a general meeting of the shareholders of a public limited company may be called by the directors. Shareholders holding at least 5% of the paid-up capital of the company carrying voting rights at general meetings (excluding any paid up capital held as treasury shares) can require the directors to call a general meeting and, if the directors fail to do so within a certain period, may themselves convene a general meeting.	Under Delaware law, special meetings of the stockholders may be called by the board of directors or by such person or persons as may be authorized by the certificate of incorporation or by the bylaws.
Notice of General Meetings	Subject to a company's articles of association providing for a longer period under the Companies Act, at least 21 clear days' notice must be given for an annual general meeting and any resolutions to be proposed at the meeting. Subject to a company's articles of association providing for a longer period, at least 14 clear days' notice is required for any other general meeting. In addition, certain matters, such as the removal of directors or auditors, require special notice, which is 28 clear days' notice. The shareholders of a company may in all cases consent to a shorter notice period, the proportion of shareholders' consent required being 100% of those entitled to attend and vote in the case of an annual general meeting and, in the case of any other general meeting, a majority in number of the members having a right to attend and vote at the meeting, being a majority who together hold not less than 95% in nominal value of the shares giving a right to attend and vote at the meeting (excluding any shares held as treasury shares).	Under Delaware law, unless otherwise provided in the certificate of incorporation or bylaws, written notice of any meeting of the stockholders must be given to each stockholder entitled to vote at the meeting not less than 10 nor more than 60 days before the date of the meeting and shall specify the place, date, hour, and purpose or purposes of the meeting.
Quorum	Subject to the provisions of a company's articles of association, the Companies Act provides that two 'qualifying persons' present at a meeting (in person, by proxy or authorized representative under the Companies Act (provided that the	The certificate of incorporation or bylaws may specify the number of shares, the holders of which shall be present or represented by proxy at any meeting in order to constitute a quorum, but in no event shall a quorum consist of less than

	England and Wales	Delaware
	proxies and/or authorized representatives, represent different shareholders)) shall constitute a quorum for companies with more than one shareholder.	one-third of the shares entitled to vote at the meeting. In the absence of such specification in the certificate of incorporation or bylaws, a majority of the shares entitled to vote, present in person or represented by proxy, shall constitute a quorum at a meeting of stockholders.
Proxy	Under the Companies Act, at any meeting of shareholders, a shareholder may designate another person to attend, speak and vote at the meeting on their behalf by proxy.	Under Delaware law, at any meeting of stockholders, a stockholder may designate another person to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A director of a Delaware corporation may not issue a proxy representing the director's voting rights as a director.
Preemptive Rights	Under the Companies Act, "equity securities," being (1) shares in the company other than shares that, with respect to dividends and capital, carry a right to participate only up to a specified amount in a distribution, referred to as "ordinary shares," or (2) rights to subscribe for, or to convert securities into, ordinary shares, proposed to be allotted for cash must be offered first to the existing equity shareholders in the company in proportion to the respective nominal value of their holdings, unless an exception applies or a special resolution to the contrary has been passed by shareholders in a general meeting or the articles of association provide otherwise in each case in accordance with the provisions of the Companies Act.	Under Delaware law, shareholders have no preemptive rights to subscribe to additional issues of stock or to any security convertible into such stock unless, and except to the extent that, such rights are expressly provided for in the certificate of incorporation.
Authority to Allot	Under the Companies Act, the directors of a company must not allot shares or grant rights to subscribe for or to convert any security into shares unless an exception applies or an ordinary resolution to the contrary has been passed by shareholders in a general meeting or the articles of association provide otherwise in each case in accordance with the provisions of the Companies Act.	Under Delaware law, if the corporation's charter or certificate of incorporation so provides, the board of directors has the power to authorize the issuance of stock. It may authorize capital stock to be issued for consideration consisting of cash, any tangible or intangible property or any benefit to the corporation or any combination thereof. It may determine the amount of such consideration by approving a formula. In the absence of actual fraud in the transaction, the judgment of the directors as to the value of such consideration is conclusive.
Liability of Directors and Officers	Under the Companies Act, any provision, whether contained in a company's articles of association or any contract or otherwise, that purports to exempt a director of a company, to any extent, from any liability that would otherwise attach to him or her in connection with any negligence,	Under Delaware law, a corporation's certificate of incorporation may include a provision eliminating or limiting the personal liability of a director to the corporation and its stockholders for damages arising from a breach of fiduciary

	England and Wales	Delaware
	default, breach of duty or breach of trust in relation to the company is void. Any provision by which a company directly or indirectly provides an indemnity, to any extent, for a director of the company or of an associated company against any liability attaching to him or her in connection with any negligence, default, breach of duty or breach of trust in relation to the company of which he or she is a director is also void except as permitted by the Companies Act, which provides exceptions for the company to (a) purchase and maintain insurance against such liability; (b) provide a "qualifying third party indemnity" (being an indemnity against liability incurred by the director to a person other than the company or an associated company or criminal proceedings in which he or she is convicted); and (c) provide a "qualifying pension scheme indemnity" (being an indemnity against liability incurred in connection with our activities as trustee of an occupational pension plan).	duty as a director. However, no provision can limit the liability of a director for: • any breach of the director's duty of loyalty to the corporation or its stockholders; • acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; • intentional or negligent payment of unlawful dividends or stock purchases or redemptions; or • any transaction from which the director derives an improper personal benefit.
Voting Rights	Under the laws of England and Wales, unless a poll is demanded by the shareholders of a company or is required by the chairman of the meeting or our articles of association, shareholders shall vote on all resolutions on a show of hands. Under the Companies Act, a poll may be demanded by (a) not fewer than five shareholders having the right to vote on the resolution; (b) any shareholder(s) representing not less than 10% of the total voting rights of all the shareholders having the right to vote on the resolution (excluding any voting rights attaching to treasury shares); or (c) any shareholder(s) holding shares in the company conferring a right to vote on the resolution (excluding any voting rights attaching to treasury shares) being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right. A company's articles of association may provide more extensive rights for shareholders to call a poll. Under the laws of England and Wales, an ordinary resolution is passed on a show of hands if it is approved by a simple majority (more than 50%) of the votes cast by shareholders present (in person or by proxy) and entitled to vote. If a poll is demanded, an ordinary resolution is passed if it is approved by holders representing a simple	Delaware law provides that, unless otherwise provided in the certificate of incorporation, each stockholder is entitled to one vote for each share of capital stock held by such stockholder.

	England and Wales	Delaware
	majority of the total voting rights of shareholders present, in person or by proxy, who, being entitled to vote, vote on the resolution. Special resolutions require the affirmative vote of not less than 75% of the votes cast by shareholders present, in person or by proxy, at the meeting. If a poll is demanded, a special resolution is passed if it is approved by holders representing not less than 75% of the total voting rights of shareholders in person or by proxy who, being entitled to vote, vote on the resolution.	
Shareholder Vote on Certain Transactions	The Companies Act provides for schemes of arrangement, which are arrangements or compromises between a company and any class of shareholders or creditors and used in certain types of reconstructions, amalgamations, capital reorganizations, or takeovers. These arrangements require: • the approval at a shareholders' or creditors' meeting convened by order of the court, of a majority in number of shareholders or creditors representing 75% in value of the capital held by, or debt owed to, the class of shareholders or creditors, or class thereof present and voting, either in person or by proxy; and • the approval of the court.	Generally, under Delaware law, unless the certificate of incorporation provides for the vote of a larger portion of the stock, completion of a merger, consolidation, sale, lease or exchange of all or substantially all of a corporation's assets or dissolution requires: • the approval of the board of directors; and • approval by the vote of the holders of a majority of the outstanding stock or, if the certificate of incorporation provides for more or less than one vote per share, a majority of the votes of the outstanding stock of a corporation entitled to vote on the matter.
Standard of Conduct for Directors	Under the laws of England and Wales, a director owes various statutory and fiduciary duties to the company, including: • to act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole(and in doing so have regard (amongst other matters) to: (i) the likely consequences of any decision in the long-term, (ii) the interests of the company's employees, (iii) the need to foster the company's business relationships with suppliers, customers and others, (iv) the impact of the company's operations on the community and the environment, (v) the desirability to maintain a reputation for high standards of business conduct, and (vi) the need to act fairly as between members of the company);	Delaware law does not contain specific provisions setting forth the standard of conduct of a director. The scope of the fiduciary duties of directors is generally determined by the courts of the State of Delaware. In general, directors have a duty to act without self-interest, on a well-informed basis and in a manner they reasonably believe to be in the best interest of the stockholders. Directors of a Delaware corporation owe fiduciary duties of care and loyalty to the corporation and to its shareholders. The duty of care generally requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself or herself of all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he or she

	England and Wales	Delaware
	• to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly conflicts, with the interests of the company; • to act in accordance with our constitution and only exercise his or her powers for the purposes for which they are conferred; • to exercise independent judgment; • to exercise reasonable care, skill, and diligence; • not to accept benefits from a third party conferred by reason of his or her being a director or doing, or not doing, anything as a director; and • a duty to declare any interest that he or she has, whether directly or indirectly, in a proposed or existing transaction or arrangement with the company.	reasonably believes to be in the best interests of the corporation. He or she must not use his or her corporate position for personal gain or advantage. In general, but subject to certain exceptions, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Delaware courts have also imposed a heightened standard of conduct upon directors of a Delaware corporation who take any action designed to defeat a threatened change in control of the corporation. In addition, under Delaware law, when the board of directors of a Delaware corporation approves the sale or break-up of a corporation, the board of directors may, in certain circumstances, have a duty to obtain the highest value reasonably available to the shareholders.
Stockholder Suits	Under the laws of England and Wales, generally, the company, rather than its shareholders, is the proper claimant in an action in respect of a wrong done to the company or where there is an irregularity in our internal management. Notwithstanding this general position, the Companies Act provides that (1) a court may allow a shareholder to bring a derivative claim (that is, an action in respect of and on behalf of the company) in respect of a cause of action arising from a director's negligence, default, breach of duty or breach of trust and (2) a shareholder may bring a claim for a court order where our affairs have been or are being conducted in a manner that is unfairly prejudicial to some of its shareholders.	Under Delaware law, a stockholder may initiate a derivative action to enforce a right of a corporation if the corporation fails to enforce the right itself. The complaint must: • state that the plaintiff was a stockholder at the time of the transaction of which the plaintiff complains or that the plaintiffs shares thereafter devolved on the plaintiff by operation of law; and • allege with particularity the efforts made by the plaintiff to obtain the action the plaintiff desires from the directors and the reasons for the plaintiff's failure to obtain the action; or • state the reasons for not making the effort. Additionally, the plaintiff must remain a stockholder through the duration of the derivative suit. The action will not be dismissed or compromised without the approval of the Delaware Court of Chancery.

Stock Exchange Listing

Our ADSs were listed on the Nasdaq Capital Market under the symbol "SLN" in September 2020. In June 2021, we moved our Nasdaq listing from the Nasdaq Capital Market tier to the Nasdaq Global Market tier.

Our ordinary shares were traded on AIM, a market operated by the London Stock Exchange, under the ticker symbol “SLN”. On October 15, 2021, we announced our intention to cancel the admission of our ordinary shares to trading on AIM, subject to shareholder approval which was obtained. The final day of trading of the ordinary shares on AIM was November 29, 2021 and the delisting took effect at 7:00 a.m. on November 30, 2021.

Registrar of Shares, Depositary for ADSs

Our share register is maintained by Link Market Services Limited. The share register reflects only registered holders of our ordinary shares. Holders of ADSs representing our ordinary shares will not be treated as our shareholders and their names will therefore not be entered in our share register. The Bank of New York Mellon has agreed to act as the depositary for the ADSs representing our ordinary shares and the custodian for ordinary shares represented by ADSs is The Bank of New York Mellon, acting through an office located in England. Holders of ADSs representing our ordinary shares have a right to receive the ordinary shares underlying such ADSs. For discussion on ADSs representing our ordinary shares and rights of ADS holders, see “Description of American Depositary Shares” filed as Exhibit 2.4 to the Annual Report.

Exhibit 4.10

SILENCE THERAPEUTICS PLC

2023 EQUITY INCENTIVE PLAN

WITH

NON-EMPLOYEE SUB-PLAN

AND

CSOP SUB-PLAN

ADOPTED BY THE BOARD OF DIRECTORS: 20 MARCH 2023

APPROVED BY THE SHAREHOLDERS: APRIL 27, 2023

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2. PURPOSE

The Plan's purpose is to enhance the Company's ability to attract, retain and motivate persons who make (or are expected to make) important contributions to the Company and/or its Subsidiaries by providing these individuals with equity ownership opportunities. Capitalised terms used in the Plan are defined in Section 12.

3. ELIGIBILITY

Service Providers are eligible to be granted Awards under the Plan, subject to the limitations described herein.

4. ADMINISTRATION AND DELEGATION.

(a) Administration.

(i) The Plan is administered by the Administrator. The Administrator has authority to (i) determine which Service Providers receive Awards, (ii) determine what type or combination of types of Award will be granted, (iii) grant Awards, (iv) set Award terms and conditions (which need not be identical), including the time or times when a person will be permitted to receive an issuance of Shares or other payment pursuant to an Award, (iv) determine the number of Shares or cash equivalent with respect to which an Award will be granted to each such person, (v) designate whether such Awards will cover Ordinary Shares or ADSs, and (vi) determine the terms of any performance Award that is valued in whole or in part by reference to, or otherwise based on, the Shares, including the amount of cash payment or other property that may be earned and the timing of payment, in each case subject to the conditions and limitations in the Plan and all Applicable Laws.

(ii) The Administrator has the authority to settle all controversies regarding the Plan and Awards granted under it.

(iii) The Administrator has the authority to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Awards.

(iv) The Administrator also has the authority to take all actions and make all determinations under the Plan, to approve the forms of Award Agreements for use under the Plan, to construe and interpret the Plan and the terms of Awards and to adopt, amend and repeal Plan administrative rules, regulations, guidelines and practices as it deems advisable. The Administrator may correct defects and ambiguities, supply omissions and reconcile inconsistencies in the Plan or any Award as it deems necessary or appropriate to administer the Plan and any Awards. The Administrator's determinations under the Plan are in its sole discretion and will be final and binding on all persons having or claiming any interest in the Plan or any Award.

(b) Appointment of Committees. To the extent Applicable Laws permit, the Board may delegate any or all of its powers under the Plan to one or more Committees or officers of the Company or any of its Subsidiaries. The Board may abolish any Committee or re-vest in itself any previously delegated authority at any time.

5. SHARES AVAILABLE FOR AWARDS.

(a) Number of Shares. Subject to adjustment under Section 8 and the remaining terms of this Section 4, Awards may be made under the Plan (taking account of Awards granted under the Non-Employee Sub-Plan and the CSOP Sub-Plan) in an aggregate amount up to 3,000,000 Ordinary Shares plus any Ordinary Shares that become available under the Plan pursuant to Section 4(c)(ii) below (in

each case including as part of the process for the issue of new ADSs) (the "***Share Reserve***"). In addition, the Share Reserve will automatically increase on January 1st of each year commencing on January 1, 2024 and ending on (and including) January 1, 2033, in an amount equal to 5% of the total number of Ordinary Shares outstanding on December 31st of the preceding calendar year. Notwithstanding the foregoing, the Board may act prior to January 1st of a given year to provide that there will be no January 1st increase in the Share Reserve for such year or that the increase in the Share Reserve for such year will be a lesser (but not a greater) number of Ordinary Shares than would otherwise occur pursuant to the preceding sentence.

(b) Limit Applies to Shares Issued Pursuant to Awards. For clarity, the Share Reserve is a limit on the number of Shares that may be issued pursuant to Awards that were granted under this Plan and does not limit the granting of Awards, except that the Company will keep available at all times the number of Shares reasonably required to satisfy its obligations to issue shares pursuant to such Awards. Shares may be issued in connection with a merger or acquisition as permitted by, as applicable, Nasdaq Listing Rule 5635(c), NYSE Listed Company Manual Section 303A.08, NYSE American Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of Shares available for issuance under the Plan, as further described under Section 4(e).

(c) Share Recycling.

(i) If all or any part of an Award or Awards granted under the Plan (including the Non-Employee Sub-Plan and the CSOP Sub-Plan) expires, lapses or is terminated, exchanged for cash, surrendered, repurchased or cancelled without having been fully exercised, or is withheld to satisfy a tax withholding obligation in connection with an Award or to satisfy a purchase or exercise price of an Award, the unused Shares covered by the Award or Awards granted under the Plan (including the Non-Employee Sub-Plan and the CSOP Sub-Plan) will, as applicable, become or again be available for Awards granted under the Plan (including the Non-Employee Sub-Plan and the CSOP Sub-Plan).

(ii) If all or any part of an option or options to acquire unissued Shares that was granted under the Prior Plans and which is subsisting as of the Effective Date expires, lapses or is terminated, exchanged for cash, surrendered, repurchased or cancelled without having been fully exercised, or is withheld to satisfy a tax withholding obligation in connection with an option or to satisfy a purchase or exercise price of an option, in each case on or after the Effective Date, the unused Shares covered by such option or options under the Prior Plans shall increase the Share Reserve and shall become available for Awards granted under the Plan (including the Non-Employee Sub-Plan and the CSOP Sub-Plan) subject to a maximum of 16,037,019 Ordinary Shares (including as part of the process for the issue of new ADSs).

(d) ISO Limitations. Subject to adjustment under Section 8 and to the overall Share Reserve, no more than 57,111,057 Ordinary Shares (including as part of the process for the issue of new ADSs) may be issued pursuant to the exercise of ISOs.

(e) Substitute Awards. In connection with an entity's merger or consolidation with the Company or the Company's acquisition of an entity's property or stock, the Administrator may grant Awards in substitution for any options or other equity or equity-based awards granted before such merger or consolidation by such entity or its affiliate. Substitute Awards may be granted on such terms as the Administrator deems appropriate, notwithstanding limitations on Awards in the Plan. Subject to Applicable Laws, Substitute Awards will not count against the Share Reserve (nor shall Shares subject to a Substitute Award be added to the Shares available for Awards under the Plan as provided above), except that Shares acquired by exercise of substitute ISOs will count against the maximum number of Shares that may be issued pursuant to the exercise of ISOs under the Plan. Additionally, in the event that a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan not adopted in contemplation of such acquisition or combination, then, subject to Applicable Laws, shares available for grant pursuant

to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of ordinary shares or common stock (as applicable) of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the Shares authorised for grant under the Plan (and Shares subject to such Awards shall not be added to the Shares available for Awards under the Plan as provided above); provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees or Directors prior to such acquisition or combination.

(f) Grant Date. Unless otherwise determined by the Administrator, the Grant Date of an Award shall be the date of the Administrator's approval of that Award.

(g) Deed Poll. The Administrator may grant Awards by entering into a deed poll and, as soon as practicable after the Company has executed the deed poll, the Administrator shall enter into an Award Agreement.

(h) Type of Shares. The Shares issuable under the Plan will be new shares, treasury shares or market purchase shares.

(i) Prior Plans. Upon the Effective Date, no further new awards may be granted over Shares under the Prior Plans.

6. OPTIONS AND SHARE APPRECIATION RIGHTS.

(a) General. The Administrator may grant Options or Share Appreciation Rights to Service Providers subject to the limitations in the Plan, including any limitations in the Plan that apply to ISOs. The Administrator will determine the number of Shares covered by each Option and Share Appreciation Right, the exercise price of each Option and Share Appreciation Right and the conditions and limitations applicable to the exercise of each Option and Share Appreciation Right. Each Option will be designated in writing as an ISO or Non-Qualified Option at the time of grant; provided, however, that if an Option is not so designated, then such Option will be a Non-Qualified Option, and the Shares purchased upon exercise of each type of Option will be separately accounted for. A Share Appreciation Right will entitle the Participant (or other person entitled to exercise the Share Appreciation Right) to receive from the Company upon exercise of the exercisable portion of the Share Appreciation Right an amount determined by multiplying the excess, if any, of the Fair Market Value of one Share on the date of exercise over the exercise price per Share of the Share Appreciation Right by the number of Shares with respect to which the Share Appreciation Right is exercised, subject to any limitations of the Plan or that the Administrator may impose and payable in cash, Shares valued at Fair Market Value or a combination of the two as the Administrator may determine or provide in the Award Agreement. A Participant will have no rights of a shareholder with respect to Shares subject to any Option or Share Appreciation Right unless and until any Shares are delivered in settlement of the Option or Share Appreciation Right.

(b) Exercise Price. The Administrator will establish each Option's and Share Appreciation Right's exercise price and specify the exercise price in the Award Agreement. Subject to Section 10(g), the exercise price will not be less than the nominal value of a Share and for Participants who are subject to tax in the United States not less than 100% of the Fair Market Value on the grant date of the Option or Share Appreciation Right. Notwithstanding the foregoing, an Option or Share Appreciation Right may be granted with an exercise price lower than 100% of the Fair Market Value on the Grant Date of such Award if such Award is granted pursuant to an assumption of or substitution for another option or share appreciation right pursuant to Section 4(f) and, in respect of Participants who are subject to tax in the United States, in a manner consistent with the provisions of Sections 409A and, if applicable, 424(a) of the Code.

(c) Duration. Each Option or Share Appreciation Right will vest and be exercisable at such times and as specified in the Award Agreement, provided that the term of an Option or Share Appreciation Right will not exceed ten years, subject to Section 10(g). Notwithstanding the foregoing and unless determined otherwise by the Company, in the event that on the last business day of the term of an Option or Share Appreciation Right (other than an ISO) (i) the exercise of the Option or Share Appreciation Right is prohibited by Applicable Laws, as determined by the Company, or (ii) Shares may not be purchased or sold by the applicable Participant due to any Company insider trading, window period and/or dealing policy (including blackout periods), the term of the Option or Share Appreciation Right shall be extended until the date that is thirty (30) days after the end of the legal prohibition, black-out period, as determined by the Company; provided, however, in no event shall the extension last beyond the original term of the applicable Option or Share Appreciation Right. Notwithstanding the foregoing, if the Participant, prior to the end of the term of an Option or Share Appreciation Right, violates the non-competition, non-solicitation, confidentiality or other similar restrictive covenant provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company or any of its Subsidiaries, the right of the Participant and the Participant's transferees to exercise any Option or Share Appreciation Right issued to the Participant shall terminate effective as of immediately upon such violation, unless within 60 days following such violation the Company otherwise determines. In addition, if, prior to the end of the term of an Option or Share Appreciation Right, the Participant is given notice by the Company or any of its Subsidiaries of the Participant's Termination of Service by the Company or any of its Subsidiaries for Cause, and the effective date of such Termination of Service is subsequent to the date of the delivery of such notice, the right of the Participant and the Participant's transferees to exercise any Option or Share Appreciation Right issued to the Participant shall be suspended from the time of the delivery of such notice until the earlier of (i) such time as it is determined or otherwise agreed that the Participant's service as a Service Provider will not be terminated for Cause as provided in such notice or (ii) the effective date of the Participant's Termination of Service by the Company or any of its Subsidiaries for Cause (in which case the right of the Participant and the Participant's transferees to exercise any Option or Share Appreciation Right issued to the Participant will terminate immediately upon the effective date of such Termination of Service, provided, however, in no event shall the suspension cause the original term of the applicable Option or Share Appreciation Right to be extended).

(d) Exercise. Options and Share Appreciation Rights may be exercised by delivering to the Company a written notice of exercise, in a form the Administrator approves (which may be electronic), signed by the person authorised to exercise the Option or Share Appreciation Right, together with, as applicable, payment in full (i) as specified in Section 5(e) for the number of Shares for which the Award is exercised and (ii) as specified in Section 9(e) for any applicable taxes. Unless the Administrator otherwise determines, an Option or Share Appreciation Right may not be exercised for a fraction of a Share.

(e) Payment Upon Exercise. Subject to any Company insider trading, window period and/or dealing policy (including blackout periods) and Applicable Laws, the exercise price of an Option must be paid by:

(i) cash, wire transfer of immediately available funds or by cheque payable to the order of the Company, provided that the Company may limit the use of one of the foregoing payment forms if one or more of the payment forms below is permitted;

(ii) if there is a public market for Shares at the time of exercise, unless the Administrator otherwise determines, (A) delivery (including telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to pay the exercise price, or (B) the Participant's delivery to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to pay the exercise

price; provided that such amount is paid to the Company at such time as may be required by the Administrator;

(iii) to the extent permitted by the Administrator at the time of exercise, delivery (either by actual delivery or attestation) of Shares owned by the Participant free and clear of any liens, claims, encumbrances or security interests, which, when valued at their Fair Market Value on the exercise date, have a value sufficient to pay the exercise price, provided that (1) at the time of exercise the Shares are publicly traded, (2) any remaining balance of the exercise price not satisfied by such delivery is paid by the Participant in cash or other permitted form of payment selected by the Company, (3) such delivery would not violate any Applicable Laws or agreement restricting the redemption of the Shares, (4) if required by the Administrator, any certificated Shares are endorsed or accompanied by an executed assignment separate from certificate, and (5) such Shares have been held by the Participant for any minimum period necessary to avoid adverse accounting treatment as a result of such delivery;

(iv) to the extent permitted by the Administrator at the time of exercise, except with respect to ISOs, surrendering the largest whole number of Shares then issuable upon the Option's exercise which, when valued at their Fair Market Value on the exercise date, have a value sufficient to pay the exercise price, provided that (1) such Shares used to pay the exercise price will not be exercisable thereafter and (2) any remaining balance of the exercise price not satisfied by such net exercise is paid by the Participant in cash or other permitted form of payment selected by the Company;

(v) to the extent permitted by the Administrator at the time of exercise and permitted by Applicable Law, delivery of any other property that the Administrator determines is good and valuable consideration; or

(vi) to the extent permitted by the Administrator, any combination of the above payment forms.

(f) Non-Exempt U.S. Employees. No Option or Share Appreciation Right, whether or not vested, granted to an Employee who is a non-exempt employee for purposes of the U.S. Fair Labor Standards Act of 1938, as amended, will be first exercisable for any Shares until at least six months following the Grant Date of such Award. Notwithstanding the foregoing, in accordance with the provisions of the U.S. Worker Economic Opportunity Act, any vested portion of such Award may be exercised earlier than six months following the Grant Date of such Award in the event of (i) such Participant's death or Disability, (ii) a Corporate Event in which such Award is not assumed, continued or substituted, (iii) a Change in Control, or (iv) such Participant's retirement (as such term may be defined in the Award Agreement or another applicable agreement or, in the absence of any such definition, in accordance with the Company's then current employment policies and guidelines). This Section 5(f) is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or Share Appreciation Right will be exempt from his or her regular rate of pay.

7. RESTRICTED SHARES; RESTRICTED SHARE UNITS

(a) General. The Administrator may grant Restricted Shares, or the right to purchase Restricted Shares, to any Service Provider, subject to the Company's right to repurchase all or part of such shares at their issue price or other stated or formula price from the Participant (or to require forfeiture or compulsory transfer of such shares in such manner as the Administrator may determine) if conditions the Administrator specifies in the Award Agreement are not satisfied before the end of the applicable restriction period or periods that the Administrator establishes for such Award. In addition, the Administrator may grant to Service Providers Restricted Share Units, which may be subject to vesting, issuance and forfeiture conditions during the applicable restriction period or periods, as set forth in an Award Agreement. The Administrator will determine and set forth in the Award Agreement

the terms and conditions for each Restricted Share and Restricted Share Unit Award, subject to the conditions and limitations contained in the Plan.

(b) Duration. Each Restricted Share or Restricted Share Unit will vest at such times and as specified in the Award Agreement, provided that the vesting schedule of a Restricted Share or Restricted Share Unit will not exceed ten years. Notwithstanding the foregoing, if the Participant, prior to the vesting date of a Restricted Share or Restricted Share Unit, violates the non-competition, non-solicitation, confidentiality or other similar restrictive covenant provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company or any of its Subsidiaries, the right of the Participant and the Participant's transferees to receive Shares on the vesting of the Restricted Share or Restricted Share Unit issued to the Participant shall terminate immediately upon such violation, unless the Company otherwise determines. In addition, if, prior to the vesting date of a Restricted Share or Restricted Share Unit, the Participant is given notice by the Company or any of its Subsidiaries of the Participant's Termination of Service by the Company or any of its Subsidiaries for Cause, and the effective date of such Termination of Service is subsequent to the date of the delivery of such notice, the right of the Participant and the Participant's transferees to receive Shares as a result of the vesting of the Restricted Share or Restricted Share Unit issued to the Participant shall be suspended from the time of the delivery of such notice until the earlier of (i) such time as it is determined or otherwise agreed that the Participant's service as a Service Provider will not be terminated for Cause as provided in such notice or (ii) the effective date of the Participant's Termination of Service by the Company or any of its Subsidiaries for Cause (in which case the right of the Participant and the Participant's transferees to receive Shares on the vesting of the Restricted Share or Restricted Share Unit issued to the Participant will terminate immediately upon the effective date of such Termination of Service).

(c) Dividends and Dividend Equivalents. Dividends or dividend equivalents may be paid or credited, as applicable, with respect to any Restricted Shares or Shares subject to Restricted Share Units, as determined (and on such terms as may be determined) by the Administrator and specified in the Award Agreement.

(d) Restricted Shares.

(i) Form of Award. The Company may require that the Participant deposit in escrow with the Company (or its designee) any certificates issued in respect of Restricted Shares, together with a stock transfer form endorsed in blank. Unless otherwise determined by the Administrator, a Participant will have voting and other rights as a shareholder of the Company with respect to any Restricted Shares.

(ii) Consideration. Restricted Shares may be granted in consideration for (A) cash or cheque, bank draft or money order payable to the Company, (B) past services to the Company or a Subsidiary, or (C) any other form of consideration (including future services) as the Administrator may determine to be acceptable and which is permissible under Applicable Laws.

(e) Restricted Share Units.

(i) Settlement. The Administrator may provide that settlement of Restricted Share Units will occur upon or as soon as reasonably practicable after the Restricted Share Units vest or will instead be deferred, on a mandatory basis or at the Participant's election.

(ii) Shareholder Rights. A Participant will have no rights of a shareholder with respect to Shares subject to any Restricted Share Unit unless and until the Shares are delivered in settlement of the Restricted Share Unit.

(iii) Consideration. Unless otherwise determined by the Administrator at the time of grant, Restricted Share Units will be granted in consideration for the Participant's services to the Company or a Subsidiary, such that the Participant will not be required to make any payment to the Company (other than such services) with respect to the grant or vesting of the Award, or the issuance of any Shares pursuant to the Award. If, at the time of grant, the Administrator determines that any consideration must be paid by the Participant (in a form other than the Participant's services to the Company or a Subsidiary) upon the issuance of any Shares in settlement of the Award, such consideration may be paid in any form of consideration as the Administrator may determine to be acceptable and which is permissible under Applicable Laws.

8. OTHER SHARE BASED AWARDS

Other Share Based Awards may be granted to Participants, including Awards entitling Participants to receive Shares to be delivered in the future (whether based on specified performance criteria, performance goals or otherwise), in each case subject to any conditions and limitations in the Plan. Such Other Share Based Awards will also be available as a payment form in the settlement of other Awards, as standalone payments and as payment in lieu of compensation to which a Participant is otherwise entitled. Other Share Based Awards may be paid in Shares or other property, as the Administrator determines. Subject to the provisions of the Plan, the Administrator will determine the terms and conditions of each Other Share Based Award, including any purchase price, performance condition, performance goal, transfer restrictions, and vesting conditions, which will be set forth in the applicable Award Agreement.

9. ADJUSTMENTS FOR CHANGES IN SHARES AND CERTAIN OTHER EVENTS

(a) Equity Restructuring. In connection with any Equity Restructuring, notwithstanding anything to the contrary in this Section 8, the Administrator will equitably adjust (i) class(es) and maximum number of Shares subject to the Plan, (ii) the class(es) and maximum number of Shares that may be issued pursuant to the exercise of ISOs under Section 4(e) above and (iii) each outstanding Award as it deems appropriate to reflect the Equity Restructuring, which may include adjusting the number and type of securities subject to each outstanding Award and/or the Award's exercise price or grant price (if applicable), granting new Awards to Participants, and making a cash payment to Participants. The adjustments provided under this Section 8(a) will be nondiscretionary and final and binding on the affected Participant and the Company; provided that the Administrator will determine whether an adjustment is equitable.

(b) Corporate Events. In the event of any reorganisation, merger, consolidation, combination, amalgamation, scheme of arrangement, repurchase, recapitalisation, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Shares or other securities of the Company or a Change in Control (any "***Corporate Event***"), the Administrator, on such terms and conditions as it deems appropriate, is hereby authorised to take any one or more of the following actions whenever the Administrator determines that such action is appropriate:

(i) To provide for the cancellation of any such Award in exchange for either an amount of cash or other property with a value equal to the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realisation of the Participant's rights under the vested portion of such Award, as applicable; provided that, if the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realisation of the Participant's rights, in any case, is equal to or less than zero (as determined by the Administrator in its discretion), then the Award may be terminated without payment. In addition, such payments under this provision may, in the Administrator's discretion, be delayed to the same extent that payment of consideration to the holders of Shares in connection with the Corporate Event is delayed as a result of escrows, earn outs, holdbacks or any other contingencies;

(ii) To provide that such Award shall vest and, to the extent applicable, be exercisable as to all Shares covered thereby, notwithstanding anything to the contrary in the Plan or the provisions of such Award as of a date prior to the effective time of such Corporate Event as the Administrator determines (or, if the Administrator does not determine such a date, as of the date that is five (5) days prior to the effective date of the Corporate Event), with such Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Event; provided, however, that the Administrator may require Participants to complete and deliver to the Company a notice of exercise before the effective date of a Corporate Event, which exercise is contingent upon the effectiveness of such Corporate Event;

(iii) To provide that such Award be assumed by the successor or survivor entity, or a parent or Subsidiary thereof, or shall be substituted for by awards covering the equity securities of the successor or survivor entity, or a parent or Subsidiary thereof, with appropriate adjustments as to the number and kind of shares and/or applicable exercise or purchase price, in all cases, as determined by the Administrator;

(iv) To arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Shares issued pursuant to the Award to the surviving entity or acquiring entity (or the surviving or acquiring entity's parent company);

(v) To arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Award;

(vi) To replace such Award with other rights or property selected by the Administrator; and/or

(vii) To provide that the Award will terminate and cannot vest, be exercised or become payable after the applicable transaction or event.

The Administrator need not take the same action or actions with respect to all Awards or portions thereof or with respect to all Participants. The Administrator may take different actions with respect to the vested and unvested portions of an Award.

(c) Administrative Stand Still. In the event of any pending Corporate Event or other similar transaction, for administrative convenience, the Administrator may refuse to permit the exercise of any Award for up to thirty days before or after such Corporate Event or other similar transaction.

(d) General. Except as expressly provided in the Plan or the Administrator's action under the Plan, no Participant will have any rights due to any subdivision or consolidation of Shares of any class, dividend payment, increase or decrease in the number of Shares of any class, issue, rights issue, offer or dissolution, liquidation, merger, or consolidation of the Company or other corporation. Except as expressly provided with respect to an Equity Restructuring under Section 8(a) above or the Administrator's action under the Plan, no issuance by the Company of Shares of any class, or securities convertible into Shares of any class, will affect, and no adjustment will be made regarding, the number of Shares subject to an Award or the Award's grant or exercise price. The existence of the Plan, any Award Agreements and the Awards granted hereunder will not affect or restrict in any way the Company's right or power to make or authorise (i) any adjustment, recapitalisation, reorganisation or other change in the Company's capital structure or its business, (ii) any Corporate Event or (iii) sale or issuance of securities, including securities with rights superior to those of the Shares or securities convertible into or exchangeable for Shares. The Administrator may treat Participants and Awards (or portions thereof) differently under this Section 8.

10. GENERAL PROVISIONS APPLICABLE TO AWARDS

(a) Transferability. Except as the Administrator may determine or provide in an Award Agreement or otherwise for Awards, Awards may not be sold, assigned, transferred, pledged or otherwise encumbered, either voluntarily or by operation of law, except on Participant's death, and, during the life of the Participant, will be exercisable only by the Participant. Notwithstanding the foregoing, the Administrator may, in its sole discretion, permit transfer of an Award pursuant to a domestic relations order or in such other manner that is not prohibited by applicable tax and securities laws upon the Participant's request and provided that the Participant and the transferee enter into a transfer agreement and other agreements as required by the Company. If an Option is an ISO, such Option may be deemed to be a Non-Qualified Option as a result of a transfer pursuant to this Section. References to a Participant, to the extent relevant in this context, will include references to a Participant's authorised transferee that the Administrator specifically approves.

(b) Documentation. Each Award will be evidenced in an Award Agreement, which may be written or electronic, as the Administrator determines. By accepting any Award the Participant consents to receive documents by electronic delivery and to participate in the Plan through any on-line electronic system established and maintained by the Company or another third party selected by the Company. Each Award may contain terms and conditions in addition to (or a variation of or effecting a disapplication of) those set forth in the Plan. Any reference herein or in an Award Agreement to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access). As a condition to accepting an Award under the Plan, the Participant agrees to execute any additional documents or instruments necessary or desirable, as determined in the Administrator's sole discretion, to carry out the purposes or intent of the Award, or facilitate compliance with securities and/or other regulatory requirements, in each case at the Administrator's request.

(c) Discretion. Except as the Plan otherwise provides, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award to a Participant need not be identical, and the Administrator need not treat Participants or Awards (or portions thereof) uniformly.

(d) Termination of Status.

(i) Subject to Applicable Laws, the Administrator will determine how the disability, death, retirement, authorised leave of absence or any other change or purported change in a Participant's Service Provider status (including a change which would result in a Termination of Service under the Plan but not under the Non-Employee Sub-Plan or vice versa) affects an Award and the extent to which, and the period during which, the Participant, the Participant's legal representative, conservator, guardian or Designated Beneficiary may exercise rights under the Award, if applicable.

(ii) If the Administrator so determines, a Participant who ceases to be a Service Provider for the purposes of and as defined in the Plan and who becomes a Service Provider for the purposes of and as defined in the Non-Employee Sub-Plan immediately thereafter (provided that there is no interruption or termination of the Participant's service with the Company or a Subsidiary) may be considered to remain continuously a Service Provider for the purposes of their Awards provided that such Awards shall, as of the date of such cessation, be deemed to be Awards under the Non-Employee Sub-Plan.

(e) Withholding. Each Participant must pay the Company, or make provision satisfactory to the Administrator for payment of, any taxes (which includes any social security contributions or the like including but not limited to, if applicable, all liability to primary (employee) and, if determined by the Administrator and provided in the applicable Award Agreement, all or a percentage of secondary (employer) national insurance contributions) required by law to be withheld or paid by the Company or

by any Subsidiary that is the employing entity of the Participant or which Participant has agreed to pay in connection with such Participant's Awards by the date of the event creating the tax liability. A Participant may not be able to exercise an Award even though the Award is vested, and the Company shall have no obligation to issue Shares subject to an Award, unless and until such obligations are satisfied. The Company may deduct an amount sufficient to satisfy such tax obligations based on the maximum statutory withholding rates (or such other rate as may be determined by the Company after considering any accounting consequences or costs and Applicable Law) from any payment of any kind otherwise due to a Participant. To the extent permitted by the terms of an Award Agreement and subject to any Company insider trading, window period and/or dealing policy (including blackout periods), Participants may satisfy such tax obligations (i) in cash, by wire transfer of immediately available funds, by cheque made payable to the order of the Company, provided that the Company may limit the use of the foregoing payment forms if one or more of the payment forms below is permitted, (ii) to the extent permitted by the Administrator, in whole or in part by transfer of Shares, including Shares retained from the Award creating the tax obligation, valued at their Fair Market Value, (iii) if there is a public market for Shares at the time the tax obligations are satisfied, unless the Administrator otherwise determines, (A) delivery (including telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to satisfy the tax obligations, or (B) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a cheque sufficient to satisfy the tax and/or social security withholding, provided that such amount is paid to the Company at such time as may be required by the Administrator, (iv) withholding cash from an Award settled in cash, (v) withholding payment from any amounts otherwise payable to the Participant or (vi) to the extent permitted by the Company, any combination of the foregoing payment forms approved by the Administrator.

(f) Withholding Indemnification. As a condition to accepting an Award under the Plan, in the event that the amount of the Company's and/or any Subsidiary's withholding obligation in connection with such Award was greater than the amount actually withheld by the Company and/or its Subsidiaries, each Participant agrees to indemnify and hold the Company and/or its Subsidiaries harmless from any failure by the Company and/or its Subsidiaries to withhold the proper amount.

(g) Amendment of Award; Repricing. The Administrator may amend, modify or terminate any outstanding Award, including by cancelling and substituting another Award of the same or a different type, reducing the exercise price, changing the exercise or settlement date, converting an ISO to a Non-Qualified Option, taking any other action that is treated as a repricing under generally accepted accounting principles or by amending, waiving or relaxing any applicable performance criteria or goal(s). The Participant's consent to such action will be required unless (i) the action, taking into account any related action, does not Materially Impair the Participant's rights under the Award, or (ii) the change is permitted under Section 8 or pursuant to Section 10(f). Notwithstanding the foregoing or anything in the Plan to the contrary, the Administrator may not, except pursuant to Section 8, without the approval of the shareholders of the Company, reduce the exercise price per share of outstanding Options or cancel outstanding Options in exchange for cash, other awards or Options with an exercise price per share that is less than the exercise price per share of the original Options.

(h) Conditions on Issuance of Shares. The Company will not be obligated to issue any Shares under the Plan or remove restrictions from Shares previously issued under the Plan until (i) all Award conditions have been met or removed to the Company's satisfaction, (ii) as determined by the Company, all other legal matters regarding the issuance of such Shares (including payment of nominal value) have been satisfied, including any applicable securities laws and stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Administrator deems necessary or appropriate to satisfy any Applicable Laws. The Company's inability to obtain authority from any regulatory body having jurisdiction, which the Administrator determines is necessary to the lawful issuance and sale of any securities, will relieve the Company of any liability for failing to issue or sell such Shares as to which such requisite authority has not been obtained.

(i) Acceleration. The Administrator may at any time provide that any Award will become immediately vested and fully or partially exercisable (if applicable), free of some or all restrictions or conditions, or otherwise fully or partially realisable.

11. MISCELLANEOUS

(a) No Right to Employment or Other Status. No person will have any claim or right to be granted an Award, and the grant of an Award will not be construed as giving a Participant the right to continued employment or any other relationship with the Company and/or a Subsidiary. The Company, also on behalf of its Subsidiaries, expressly reserves the right at any time to dismiss or otherwise terminate their relationship with a Participant free from any liability or claim under the Plan or any Award, except as expressly provided in an Award Agreement. Further, nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award will constitute any promise or commitment by the Company or a Subsidiary regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or service or confer any right or benefit under the Award or the Plan unless such right or benefit has specifically accrued under the terms of the Award Agreement and/or Plan.

(b) No Rights as Shareholder; Certificates. Subject to the Award Agreement, no Participant or Designated Beneficiary will have any rights as a shareholder with respect to any Shares to be distributed under an Award until becoming the record holder of such Shares on the register of members of the Company. Notwithstanding any other provision of the Plan, unless the Administrator otherwise determines or Applicable Laws require, the Company will not be required to deliver to any Participant certificates evidencing Shares issued in connection with any Award and instead such Shares may be recorded in the register of members of the Company (or, as applicable, its transfer agent or stock plan administrator). The Company may place legends on certificates issued under the Plan that the Administrator deems necessary or appropriate to comply with Applicable Laws.

(c) Effective Date and Term of Plan. The Plan will come into existence on the day it is adopted by the Board, but no Awards may be granted under the Plan prior to the Effective Date. Unless earlier terminated by the Board, the Plan will remain in effect until the tenth anniversary of the Effective Date, but Awards previously granted may extend beyond that date in accordance with the Plan. No ISOs may be granted after the tenth anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the Company's shareholders. If the Plan is not approved by the Company's shareholders within 12 months of the date of Board approval of the Plan, all ISOs will be treated as Non-Qualified Options.

(d) Amendment and Termination of Plan. The Administrator may amend, suspend or terminate the Plan at any time; provided that no amendment, suspension or termination may Materially Impair any Award outstanding at the time of such amendment without the affected Participant's written consent. No Awards may be granted under the Plan during any suspension period or after Plan termination. Awards outstanding at the time of any Plan suspension or termination will continue to be governed by the Plan and the Award Agreement, as in effect before such suspension or termination. The Board will obtain shareholder approval of any Plan amendment to the extent necessary to comply with Applicable Laws.

(e) Country Specific Provisions. The Administrator may modify Awards granted to Participants who are nationals of, or employed in, a jurisdiction outside the United Kingdom and the United States or establish subplans or procedures under the Plan to address differences in laws, rules, regulations or customs of such international jurisdictions with respect to tax, securities, currency, employee benefit or other matters, including as may be necessary or appropriate in the Administrator's discretion to grant Awards under any tax-favourable regime that may be available in any jurisdiction (provided that Administrator approval will not be necessary for immaterial modifications to the Plan or any Award Agreement to ensure or facilitate compliance with the laws of the relevant jurisdiction).

(f) Section 409A. The following provisions only apply to Participants subject to tax in the United States:

(i) General. The Company intends that all Awards be structured to comply with, or be exempt from, Section 409A, such that no adverse tax consequences, interest, or penalties under Section 409A apply. Notwithstanding anything in the Plan or any Award Agreement to the contrary, the Administrator may, without a Participant's consent, amend this Plan or Awards, adopt policies and procedures, or take any other actions (including amendments, policies, procedures and retroactive actions) as are necessary or appropriate to preserve the intended tax treatment of Awards, including any such actions intended to (A) exempt this Plan or any Award from Section 409A, or (B) comply with Section 409A, including regulations, guidance, compliance programs and other interpretative authority that may be issued after an Award's grant date. The Company makes no representations or warranties as to an Award's tax treatment under Section 409A or otherwise. The Company will have no obligation under this Section 10(f) or otherwise to avoid the taxes, penalties or interest under Section 409A with respect to any Award and will have no liability to any Participant or any other person if any Award, compensation or other benefits under the Plan are determined to constitute noncompliant "nonqualified deferred compensation" subject to taxes, penalties or interest under Section 409A.

(ii) Separation from Service. If an Award constitutes "nonqualified deferred compensation" under Section 409A, any payment or settlement of such Award upon a termination of a Participant's Service Provider relationship will, to the extent necessary to avoid taxes under Section 409A, be made only upon the Participant's "separation from service" (within the meaning of Section 409A), whether such "separation from service" occurs upon or after the termination of the Participant's Service Provider relationship. For purposes of this Plan or any Award Agreement relating to any such payments or benefits, references to a "termination," "termination of service", "termination of employment" or like terms means a "separation from service."

(iii) Payments to Specified Employees. Notwithstanding any contrary provision in the Plan or any Award Agreement, any payment(s) of "nonqualified deferred compensation" required to be made under an Award to a "specified employee" (as defined under Section 409A and as the Administrator determines) due to his or her "separation from service" will, to the extent necessary to avoid taxes under Section 409A(a)(2)(B)(i) of the Code, be delayed for the six-month period immediately following such "separation from service" (or, if earlier, until the specified employee's death) and will instead be paid (as set forth in the Award Agreement) on the day immediately following such six-month period or as soon as administratively practicable thereafter (without interest). Any payments of "nonqualified deferred compensation" under such Award payable more than six months following the Participant's "separation from service" will be paid at the time or times the payments are otherwise scheduled to be made.

(g) 10% Shareholders. The Administrator may grant ISOs only to employees of the Company, any of its present or future parent or subsidiary corporations, as defined in Sections 424(e) or (f) of the Code, respectively, and any other entities the employees of which are eligible to receive ISOs under the Code. If an ISO is granted to a Greater Than 10% Shareholder, the exercise price will not be less than 110% of the Fair Market Value on the Option's grant date, and the term of the Option will not exceed five years. All ISOs will be subject to and construed consistently with Section 422 of the Code. By accepting an ISO, the Participant agrees to give prompt notice to the Company of dispositions or other transfers (other than in connection with a Change in Control) of Shares acquired under the Option made within (i) two years from the grant date of the Option or (ii) one year after the transfer of such Shares to the Participant, specifying the date of the disposition or other transfer and the amount the Participant realized, in cash, other property, assumption of indebtedness or other consideration, in such disposition or other transfer. Neither the Company nor the Administrator will be liable to a Participant, or any other party, if an ISO fails or ceases to qualify as an "incentive stock option" under Section 422 of the Code. Any ISO or portion thereof that fails to qualify as an "incentive stock option" under Section 422 of the Code for any reason, including becoming exercisable with

respect to Shares having a Fair Market Value exceeding the $100,000 limitation under Treasury Regulation Section 1.422-4, will be a Non-Qualified Option.

(h) Limitations on Liability. Notwithstanding any other provisions of the Plan, no individual acting as a director, officer, other employee or agent of the Company or any Subsidiary will be liable to any Participant, former Participant, spouse, beneficiary, or any other person for any claim, loss, liability, or expense incurred in connection with the Plan or any Award, and such individual will not be personally liable with respect to the Plan because of any contract or other instrument executed in his or her capacity as an Administrator, director, officer, other employee or agent of the Company or any Subsidiary. As a condition to accepting an Award under the Plan, each Participant (i) agrees to not make any claim against the Company, the Group or any of its officers, Directors, Employees or Subsidiaries related to tax or social security liabilities arising from such Award or other Company or Group compensation and (ii) acknowledges that such Participant was advised to consult with his or her own personal tax, financial and other legal advisors regarding the tax and social security consequences of the Award and has either done so or knowingly and voluntarily declined to do so. The Company will indemnify and hold harmless each director, officer, other employee and agent of the Company or any Subsidiary that has been or will be granted or delegated any duty or power relating to the Plan's administration or interpretation, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the Administrator's approval) arising from any act or omission concerning this Plan unless arising from such person's own fraud or bad faith.

(i) No Obligation to Notify or Minimise Taxes. Except as required by Applicable Laws the Company has no duty or obligation to any Participant to advise such Participant as to the time or manner of exercising such Award. Furthermore, the Company has no duty or obligation to warn or otherwise advise such Participant of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimise the tax or social security consequences of an Award to the holder of such Award and will not be liable to any holder of an Award for any adverse tax or social security consequences to such holder in connection with an Award.

(j) Data Privacy.

(i) To the extent that the processing of the Participant's personal data by the Company and any Group Company under and/or in connection with this Plan falls within the territorial scope of (i) Regulation (EU) 2016/679 of the European Parliament and of the Council of 27th April 2016 (the "***EU GDPR***"), (ii) the EU GDPR as it forms part of UK law by virtue of section 3 of the European Union (Withdrawal) Act 2018, as amended (the "***UK GDPR***"), and/or (iii) equivalent legislation and/or legislation implementing and/or supplementing the EU GDPR or UK GDPR in any member state of the European Economic Area or the UK, the Company and/or any Group Company will carry out such processing in accordance with their EEA/UK privacy notice from time to time in force, the latest version of which shall have been provided to the Participant.

(ii) By accepting an Award, (except where (i) above applies) a Participant: (A) explicitly and unambiguously acknowledges and consents to the collection, use, transfer and other processing of their personal data as described in this clause 10(j)(ii) by the Company and any Group Company for the purpose of implementing, administering and managing their participation in the Plan; (B) understands that the Company and any Group Company hold certain personal data about the Participant, including, but not limited to, their name, home address, telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares or directorships held by the Participant in the Company, details of all options or any other entitlement to Shares awarded, cancelled, purchased, exercised, vested, unvested or outstanding in the Participant's favour for the purpose of implementing, managing and administering the Plan; and (C) understands that this personal data may be transferred to any third parties assisting in the implementation, administration and management of the Plan.

(k) Severability. If any portion of the Plan or any Award Agreement or any action taken thereunder is held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Plan or such Award Agreement, and the Plan and such Award Agreement will be construed and enforced as if the illegal or invalid provisions had been excluded, and the illegal or invalid action will be null and void.

(l) Governing Documents. If any contradiction occurs between the Plan and any Award Agreement or other written agreement between a Participant and the Company (or any Subsidiary) that the Administrator has approved, the Plan will govern, unless it is expressly specified in such Award Agreement or other written document that a specific provision of the Plan will not apply. All Awards will be subject to Applicable Laws on insider trading and dealing including but not limited to any specific insider trading, window period and/or dealing policy adopted by the Company.

(m)Governing Law and Jurisdiction. The Plan and all Awards, including any non-contractual obligations arising in connection therewith, will be governed by and interpreted in accordance with the laws of England and Wales, disregarding any jurisdiction's choice-of-law principles requiring the application of a jurisdiction's laws other than that of England and Wales and the courts of England and Wales shall have exclusive jurisdiction to hear any dispute.

(n) Claw-back Provisions. All Awards (including any proceeds, gains or other economic benefit the Participant actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award) will be subject to any Company claw-back policy that may be adopted from time to time to the extent such policy applies to the relevant Participant, including any claw-back policy adopted to comply with Applicable Laws (including the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder) as set forth in such claw-back policy or the Award Agreement, to the extent applicable and permissible under Applicable Laws. By accepting an Award, a Participant shall be deemed to have agreed in writing to the application of any such claw-back policy. No recovery of compensation under such a claw-back policy will be an event giving rise to a Participant's right to voluntary terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

(o) Other Group Company policies. All Awards (including any proceeds, gains or other economic benefit the Participant actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award) will be subject to any relevant Company or Group Company policy to the extent such policy applies to the relevant Participant, including but not limited to any remuneration policy and/or share retention, ownership, or holding policy that may be adopted from time to time.

(p) Titles and Headings. The titles and headings in the Plan are for convenience of reference only and, if any conflict, the Plan's text, rather than such titles or headings, will control.

(q) Conformity to Applicable Laws. Participant acknowledges that the Plan is intended to conform to the extent necessary with Applicable Laws. Notwithstanding anything herein to the contrary, the Plan and all Awards will be administered only in conformance with Applicable Laws. To the extent Applicable Laws permit, the Plan and all Award Agreements will be deemed amended as necessary to conform to Applicable Laws and may be unilaterally cancelled by the Company (with the effect that all Participant's rights thereunder lapse with immediate effect) if the Administrator determines in its reasonable discretion that such conformity is not possible or practicable.

(r) Relationship to Other Benefits. No payment under the Plan will be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary except as expressly provided in writing in such other plan or an agreement thereunder.

(s) Broker-Assisted Sales. In the event of a broker-assisted sale of Shares in connection with the payment of amounts owed by a Participant under or with respect to the Plan or Awards: (a) any Shares to be sold through the broker-assisted sale will be sold (subject in all cases to the Administrator having regard to the orderly marketing and disposal of such Shares, and having the discretion to delay broker-assisted sales for such reasons) on the day the payment first becomes due, or as soon thereafter as practicable; (b) such Shares may be sold as part of a block trade with other Participants in the Plan in which all Participants receive an average price; (c) the applicable Participant will be responsible for all broker's fees and other costs of sale, and by accepting an Award, each Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (d) to the extent the Company or its designee receives proceeds of such sale that exceed the amount owed, the Company will pay such excess in cash to the applicable Participant as soon as reasonably practicable; (e) the Company and its designees are under no obligation to arrange for such sale at any particular price; and (f) in the event the proceeds of such sale are insufficient to satisfy the Participant's applicable obligation, the Participant may be required to pay immediately upon demand to the Company or its designee, or the Company or any Subsidiary may withhold from any payment to be made to the Participant (including but not limited to that Participant's salary), an amount in cash sufficient to satisfy any remaining portion of the Participant's obligation.

(t) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Subsidiary is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the Grant Date of any Award to the Participant, the Administrator may determine, to the extent permitted by Applicable Laws, to (i) make a corresponding reduction in the number of Shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, subject to compliance with Applicable Laws, including, without limitation, Section 409A, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(u) Deferrals. To the extent permitted by Applicable Laws, the Administrator, in its sole discretion, may determine that the issuance of Shares or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may also establish programs and procedures for deferral elections to be made by Participants.

12. VALID ISSUANCE.

If the Company is unable to obtain the authority that counsel for the Company deems necessary or advisable for the lawful issuance and sale of Shares under the Plan, the Company will be relieved from any liability for failure to issue and sell Shares upon exercise or vesting of such Awards unless and until such authority is obtained. A Participant is not eligible for the grant of an Award or the subsequent issuance of Shares pursuant to the Award if such grant or issuance would be in violation of any Applicable Laws.

13. DEFINITIONS.

As used in the Plan, the following words and phrases will have the following meanings:

(a) "***ADSs***" means American Depositary Shares, each representing three (3) Ordinary Shares on deposit with a U.S. banking institution selected by the Company and which are registered pursuant to a Form F-6.

(b) "***Administrator***" means the Board or a Committee to the extent that the Board's powers or authority under the Plan have been delegated to such Committee.

(c) "***Applicable Laws***" means any applicable laws, statutes, constitutions, principles of common law, resolutions, ordinances, codes, edicts, decrees, rules, listing rules, regulations, judicial decisions, rulings or requirements issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body (including under the authority of any applicable self-regulating organisation such as the Nasdaq Stock Market, New York Stock Exchange, or the Financial Industry Regulatory Authority), including without limitation: (a) the requirements relating to the administration of equity incentive plans under English, U.S. federal and state securities, tax and other applicable laws, rules and regulations, the applicable rules of any stock exchange or quotation system on which the Shares are listed or quoted and the applicable laws and rules of any other country or jurisdiction where Awards are granted; and (b) corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether U.S. federal, state, local or foreign, applicable in the United Kingdom, United States or any other relevant jurisdiction.

(d) "***Award***" means, individually or collectively, a grant under the Plan of Options, Share Appreciation Rights, Restricted Shares, Restricted Share Units, or Other Share Based Awards.

(e) "***Award Agreement***" means a written agreement between the Company and a Participant evidencing an Award, which may be electronic. The Award Agreement generally consists of the grant notice and the agreement that contains such terms and conditions as the Administrator determines, consistent with and subject to the terms and conditions of the Plan.

(f) "***Board***" means the Board of Directors of the Company (or its designee).

(g) "***Cause***" means (i) if a Participant is a party to a written employment or consulting agreement with the Company or any of its Subsidiaries or an Award Agreement in which the term "cause" is defined (a "***Relevant Agreement***"), "Cause" as defined in the Relevant Agreement, and (ii) if no Relevant Agreement exists, (A) the Administrator's determination that the Participant failed to substantially perform the Participant's duties (other than a failure resulting from the Participant's Disability); (B) the Administrator's determination that the Participant failed to carry out, or comply with any lawful directive of the Board or the Participant's immediate supervisor; (C) the occurrence of any act or omission by the Participant that could reasonably be expected to result in (or has resulted in) a criminal offence (other than a road traffic offence for which no custodial sentence is imposed) and the Participant's conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony or indictable offence or crime involving fraud, dishonesty or moral turpitude (or equivalent in any jurisdiction); (D) the Participant's unlawful use (including being under the influence) or possession of illegal drugs on the premises of the Company or any of its Subsidiaries or while performing the Participant's duties and responsibilities for the Company or any of its Subsidiaries; (E) the Participant's commission of (or attempted commission of) an act of fraud, embezzlement, misappropriation, misconduct, or breach of fiduciary duty against the Company or any of its Subsidiaries; (F) the Participant's unauthorised use or disclosure of the confidential information or trade secrets of the Company or any Subsidiary; or (G) the Participant's material violation of any contract or agreement between the Participant and the Company (or Subsidiary) or of any statutory duty owed to the Company (or Subsidiary) or such Participant's material failure to comply with the written policies or rules of the Company (or Subsidiary).

(h) "***Change in Control***" means and includes each of the following:

(i) a Sale; or

(ii) a Takeover.

The Administrator shall have full and final authority, which shall be exercised in its sole discretion, to determine conclusively whether a Change in Control has occurred pursuant to the above definition, the date of the occurrence of such Change in Control and any incidental matters relating thereto; provided that any exercise of authority in conjunction with a determination of whether a Change in Control is a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5) shall be consistent with such regulation.

Notwithstanding the foregoing or any other provision of this Plan, the term Change in Control shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company.

(i) "***Code***" means the US Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

(j) "***Committee***" means one or more committees or subcommittees of the Board, which may include one or more Company directors or executive officers, to the extent Applicable Laws permit. To the extent required to comply with the provisions of Rule 16b-3, it is intended that each member of the Committee will be, at the time the Committee takes any action with respect to an Award that is subject to Rule 16b-3, a "non-employee director" within the meaning of Rule 16b-3; however, a Committee member's failure to qualify as a "non-employee director" within the meaning of Rule 16b-3 will not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan.

(k) "***Company***" means Silence Therapeutics plc, registered in England and Wales with company number 02992058, or any successor.

(l) "***Control***" has the meaning given in section 995(2) of the UK Income Tax Act 2007, unless otherwise specified.

(m)"***Corporate Event***" has the meaning given to it in Section 8(b).

(n) "***CSOP Sub-Plan***" means the CSOP Sub-Plan to the Plan adopted by the Board.

(o) "***Designated Beneficiary***" means: (i) a Participant's personal representative appointed on Participant's death; or (ii) if the Administrator permits from time to time in its discretion, the beneficiary or beneficiaries a Participant designates, in a manner the Administrator determines, to receive amounts due or exercise the Participant's rights if the Participant dies or becomes incapacitated.

(p) "***Director***" means a Board member.

(q) "***Disability***" means a permanent and total disability under Section 22(e)(3) of the Code, as amended, and will be determined by the Administrator on the basis of such medical evidence as the Administrator deems warranted under the circumstances.

(r) "***Effective Date***" means the date of the Company's annual general meeting in 2023, provided this Plan is approved by the Company's shareholders at such meeting.

(s) "***Employee***" means any employee of the Company or its Subsidiaries, including a director who is also an employee.

(t) "***Equity Restructuring***" means any return of capital (including a share dividend), bonus issue of shares or other Company securities by way of capitalisation of profits, share split, reverse share split, spin-off, rights offering, re-designation, redenomination, consolidation recapitalisation through a large, nonrecurring cash dividend, or any similar equity restructuring transaction, that affects the

number or class of Shares (or other Company securities) or the nominal value of Shares (or other Company securities) and causes a change in the per share value of the Shares underlying outstanding Awards. Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as an Equity Restructuring.

(u) "***Exchange Act***" means the US Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(v) "***Fair Market Value***" means, as of any date, unless otherwise determined by the Administrator, the value of the Shares (as determined on a per share or aggregate basis, as applicable) determined as follows:

(i) If the Shares are listed on any established stock exchange or traded on any established market, the Fair Market Value will be the closing sales price for such Shares as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Shares) on the date of determination, as reported in a source the Administrator deems reliable.

(ii) If there is no closing sales price for the Shares on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Shares, or if otherwise determined by the Administrator, the Fair Market Value will be determined by the Administrator in good faith.

(w)"***Governmental Body***" means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) United Kingdom, U.S. federal, state, local, municipal, foreign or other government; (c) governmental or regulatory body, or quasi-governmental body of any nature (including any governmental division, department, administrative agency or bureau, commission, authority, instrumentality, official, ministry, fund, foundation, centre, organisation, unit, body or entity and any court or other tribunal, and for the avoidance of doubt, any tax authority) or other body exercising similar powers or authority; or (d) self-regulatory organisation (including the Nasdaq Stock Market, New York Stock Exchange, and the Financial Industry Regulatory Authority).

(x) "***Grant Date***" means the date on which an Award is, was, or is to be granted.

(y) "***Greater Than 10% Shareholder***" means an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of equity securities of the Company or its parent or subsidiary corporation, as defined in Section 424(e) and (f) of the Code, respectively.

(z) "***Group***" means the Company and its Subsidiaries (references to "***Group Company***" shall be construed accordingly).

(aa)"***ISO***" means an Option intended to be, and that qualifies as, an "incentive stock option" as defined in Section 422 of the Code.

(bb)"***Materially Impair***" means any amendment to the terms of the Award that materially adversely affects the Participant's rights under the Award. A Participant's rights under an Award will not be deemed to have been Materially Impaired by any such amendment if the Administrator, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights. For example, the following types of amendments to the terms of an Award do not Materially Impair the Participant's rights under the Award: (i) imposition of reasonable restrictions on the minimum number of shares subject to an Option that may be exercised; (ii) to maintain the qualified

status of the Award as an ISO under Section 422 of the Code; (iii) to change the terms of an ISO in a manner that disqualifies, impairs or otherwise affects the qualified status of the Award as an ISO under Section 422 of the Code; (iv) to clarify the manner of exemption from, or to bring the Award into compliance with or qualify it for an exemption from, Section 409A; or (v) to comply with other Applicable Laws.

(cc)"***Non-Employee Sub-Plan***" means the Non-Employee Sub-Plan to the Plan adopted by the Board.

(dd)"***Non-Qualified Option***" means an Option not intended or not qualifying as an ISO.

(ee)"***Option***" means an option to purchase Shares.

(ff)"***Ordinary Share***" means an ordinary share of GBP0.05 each in the capital of the Company.

(gg)"***Other Share Based Awards***" means awards of Shares, and other awards valued wholly or partially by referring to, or are otherwise based on, Shares or other property, including the appreciation in value thereof (e.g., options or share rights with an exercise price or strike price less than 100% of the Fair Market Value at the time of grant), that may be granted either alone or in addition to Awards provided for under Section 5 and Section 6.

(hh)"***Participant***" means a Service Provider who has been granted an Award.

(ii) "***Plan***" means this 2023 Equity Incentive Plan, as amended from time to time.

(jj) "***Prior Plans***" means the (i) 2018 Employee Long Term Incentive Plan with US Sub-Plan and CSOP schedule for UK employees; and (ii) 2018 Non-Employee Long Term Incentive Plan with US Sub-Plan.

(kk)"***Quarter Date***" means each of 1 January, 1 April, 1 July, and 1 October, or such other dates as may be specified as being the applicable Quarter Dates in the applicable Award Agreement.

(ll) "***Restricted Shares***" means Shares awarded to a Participant under Section 6 subject to certain vesting conditions and other restrictions.

(mm)"***Restricted Share Unit***" means an unfunded, unsecured right to receive, on the applicable settlement date, one Share (or, if specified in the Award Agreement, other consideration determined by the Administrator to be of equal value as of such settlement date), subject to certain vesting conditions and other restrictions provided that nothing contained in the Plan or any Award Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between a Participant and the Company or a Subsidiary or any other person.

(nn)"***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

(oo)"***Sale***" means the sale of all or substantially all of the assets of the Company (in one transaction or a series of transactions).

(pp)"***Section 409A***" means Section 409A of the Code and all regulations, guidance, compliance programs and other interpretative authority thereunder.

(qq)"***Securities Act***" means the US Securities Act of 1933, as amended.

(rr)"***Service Provider***" means an Employee, Director or Consultant, *provided that* Consultants and Directors who are not Employees are *only* considered "Service Providers" eligible to be granted Awards under the Non-Employee Sub-Plan.

(ss)"***Share***" means an Ordinary Share, or the equivalent number of ADSs.

(tt) "***Share Appreciation Right***" means a share appreciation right granted under Section 5.

(uu)"***Share Reserve***" has the meaning given to it in Section 4(b).

(vv)"***Subsidiary***" has the meaning as set out in section 1159 of the UK Companies Act 2006.

(ww)"***Substitute Awards***" means Awards granted or Shares issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, in each case by a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines.

(xx)"***Takeover***" means if any person (or a group of persons acting in concert) (the "***Acquiring Person***"):

(i) obtains Control of the Company as the result of making a general offer to:

(1) acquire all of the issued ordinary share capital of the Company, which is made on a condition that, if it is satisfied, the Acquiring Person will have Control of the Company; or

(2) acquire all of the shares in the Company which are of the same class as the Shares; or

(ii) obtains Control of the Company as a result of a compromise or arrangement sanctioned by a court under Section 899 of the UK Companies Act 2006, or sanctioned under any other similar law of another jurisdiction; or

(iii) becomes bound or entitled under Sections 979 to 985 of the UK Companies Act 2006 (or similar law of another jurisdiction) to acquire shares of the same class as the Shares; or

(iv) obtains Control of the Company in any other way.

(yy)"***Termination of Service***" means the date the Participant ceases to be a Service Provider as defined in the Plan.

APPENDIX 1
NON-EMPLOYEE SUB-PLAN
TO THE SILENCE THERAPEUTICS 2023 EQUITY INCENTIVE PLAN

This sub-plan (the "***Non-Employee Sub-Plan***") to the Silence Therapeutics plc 2023 Equity Incentive Plan (the "***Plan***") governs the grant of Awards to Consultants (defined below) and Directors who are not Employees. The Non-Employee Sub-Plan incorporates all the provisions of the Plan except as modified in accordance with the provisions of this Non-Employee Sub-Plan.

Awards granted pursuant to the Non-Employee Sub-Plan are not granted pursuant to an "employees' share scheme" for the purposes of UK legislation.

For the purposes of the Non-Employee Sub-Plan, the provisions of the Plan shall operate subject to the following modifications:

1. Interpretation

In the Non-Employee Sub-Plan, unless the context otherwise requires, the following words and expressions have the following meanings:

"***Consultant***" means any person, including any adviser, engaged by the Company or any Group Company to render services to such entity if the consultant or adviser: (i) renders bona fide services to the Company or any Group Company; (ii) renders services not in connection with the offer or sale of securities in a capital-raising transaction and does not directly or indirectly promote or maintain a market for the Company's securities; and (iii) is a natural person. Notwithstanding the foregoing, a person is treated as a Consultant only if a Form S-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company's securities to such person.

"***Service Provider***" means a Consultant or Director who is not an Employee.

"***Termination of Service***" means, subject to Section 3 below, the date the Participant ceases to be a Service Provider as defined in this Non-Employee Sub-Plan.

2. Eligibility

Service Providers are eligible to be granted Awards under the Non-Employee Sub-Plan.

3. Service Provider status and Termination of Service

If the Administrator so determines, a Participant who (i) ceases to be a Service Provider for the purposes of this Non-Employee Sub-Plan and who becomes a Service Provider as defined in the Plan immediately thereafter; or (ii) ceases to be a Service Provider as defined in the Plan and who becomes a Service Provider for the purposes of this Non-Employee Sub-Plan immediately thereafter, (provided that there is no interruption or termination of the Participant's service with the Company or a Subsidiary) may be considered to remain continuously a Service Provider for the purposes of their Award(s).

APPENDIX 2
CSOP SUB-PLAN
TO THE SILENCE THERAPEUTICS PLC 2023 EQUITY INCENTIVE PLAN

This sub-plan (the "***CSOP Sub-Plan***") to the Silence Therapeutics plc 2023 Equity Incentive Plan (the "***Plan***") is intended to take effect as a Schedule 4 Company Share Option Plan. The CSOP Sub-Plan incorporates all the provisions of the Plan except as modified in accordance with the provisions of this CSOP Sub-Plan.

The Company has established the CSOP Sub-Plan as a subplan to the Plan under Section 10(e) of the Plan, which authorizes the Board to adopt subplans under the Plan. The purpose of the CSOP Sub-Plan is to enable the grant to, and subsequent exercise by, employees in the United Kingdom, on a tax favoured basis, of options to acquire Shares under the Plan.

For the purposes of the CSOP Sub-Plan, the provisions of the Plan shall operate subject to the following modifications:

1. **Interpretation**

In the CSOP Sub-Plan, unless the context otherwise requires, the following words and expressions have the following meanings:

(a) "***Acquiring Company***" is a company which obtains Control of the Company in the circumstances referred to in rule 20 hereof;

(b) "***Associate***" has the meaning given to that expression by paragraph 12 of Schedule 4;

(c) "***Constituent Company***" means any of the following:

(i). the Company; and

(ii). any Eligible Company nominated by the Administrator to be a Constituent Company at the relevant time.

(d) "***Control***" the meaning given to that word by Section 719 of ITEPA 2003 and "***Controlled***" shall be construed accordingly;

(e) "***Eligible Company***" means any company of which the Company has Control, including any jointly owned company (as defined in paragraph 34 of Schedule 4):

(i). which is treated as being under the Company's Control under paragraph 34 of Schedule 4; and

(ii). which is not excluded from being a Constituent Company under paragraph 34(4) of Schedule 4;

(f) "***Eligible Employee***" means any Employee who:

(i). does not have a Material Interest (either on his own or together with one or more of his Associates), and has not had such an interest in the last 12 months; and

(ii). has no Associate or Associates which has or (taken together) have a Material Interest, or had such an interest in the last 12 months; and

(iii). is either:

(A) not a director of any Constituent Company; or

(B) a director of a Constituent Company who is required to devote at least 25 hours per week (excluding meal breaks) to his duties;

(g) "***Employee***" means an employee of a Constituent Company;

(h) "***Exercise Price***" means the price at which each Share subject to an Option may be acquired on the exercise of that Option, which (subject to rule 23 hereof):

(i). if the Shares are to be newly issued to satisfy the exercise of the Option, may not be less than the nominal value of a Share; and

(ii). may not be less than the Market Value of a Share on the Grant Date.

(i) "***Existing EMI Options***" means all qualifying options (as defined in section 527 of ITEPA 2003) that have been granted as a result of employment with the Company (or any other member of a group of companies to which the Company belongs) that can still be exercised;

(j) "***Grant Date***" is the date on which an Option is granted under the CSOP Sub-Plan;

(k) "***Group Company***" means any of the following:

(i). the Company;

(ii). a company of which the Company has Control; and

(iii). a jointly owned company (as defined in paragraph 34 of Schedule 4) that is:

(A) treated as being under the Company's Control under paragraph 34 of Schedule 4; and

(B) that is not excluded from being a Constituent Company under paragraph 34(4) of Schedule 4.

(l) "***HMRC***" means HM Revenue and Customs;

(m) "***ITEPA 2003***" means the UK Income Tax (Earnings and Pensions) Act 2003;

(n) "***Key Feature***" means any provision of the CSOP Sub-Plan which is necessary to meet the requirements of Schedule 4;

(o) "***Market Value***" means the market value of a Share as determined in accordance with the applicable provisions of Part VIII of the Taxation of Chargeable Gains Act 1992, and any relevant published HMRC guidance, on the relevant date. If Shares are subject to a Relevant Restriction, Market Value shall be determined as if they were not subject to a Relevant Restriction;

(p) "***Material Interest***" has the meaning given to that expression by paragraph 9 of Schedule 4;

(q) "***Option***" means a right to acquire Shares granted under the CSOP Sub-Plan;

(r) "***Option Agreement***" means a written agreement between the Company and Participant evidencing the terms of an individual Option grant, subject to the terms and conditions of the CSOP Sub-Plan;

(s) "***Participant***" means an individual who holds an Option or, where the context permits, his personal representatives;

(t) "***Redundancy***" has the meaning given by the UK Employment Rights Act 1996;

(u) "***Relevant CSOP Options***" means all Options granted under the Plan (and any other Schedule 4 CSOP) as a result of employment with the Company (or any other member of a group of companies to which the Company belongs) that can still be exercised;

(v) "***Relevant Restriction***" means any provision included in any contract, agreement, arrangement or condition to which sections 423(2), 423(3) and 423(4) of ITEPA 2003 would apply if references in those sections to employment-related securities were references to Shares;

(w) "***Restrictions***" has the meaning given to it in paragraph 36(3) of Schedule 4 to ITEPA;

(x) "***rule***" means a rule of this CSOP Sub-Plan;

(y) "***Schedule 4***" means Schedule 4 to ITEPA 2003;

(z) "***Schedule 4 CSOP***" means a share plan that meets the requirements of Schedule 4 to ITEPA 2003;

(aa) "***Sufficient Shares***" means the smallest number of Shares that, when sold, will produce an amount at least equal to the relevant Tax Liability (after deduction of brokerage and any other charges or taxes on the sale);

(bb) "***Tax Liability***" means the pounds sterling total of any PAYE income tax and primary class 1 (employee) and, to the extent specified in the applicable Option Agreement, secondary class 1 (employer) national insurance contributions that the

Company or any employer (or former employer) of a Participant is liable to account for as a result of the exercise of an Option.

2. **Companies participating in CSOP Sub-Plan**

The companies participating in the CSOP Sub-Plan shall be each a Constituent Company.

3. **Shares used in CSOP Sub-Plan**

Options shall be granted over Shares which form part of the ordinary share capital of the Company which satisfy the conditions specified in paragraphs 16-18 (inclusive) of Schedule 4.

4. **Grant of Options**

An Option granted under the CSOP Sub-Plan shall be granted under and subject to the rules of the Plan as modified by this CSOP Sub-Plan.

5. **Identification of Options**

An Option Agreement issued in respect of an Option shall expressly state that it is issued in respect of an Option. An option which is not so identified shall not constitute an Option.

6. **Contents of Option Agreement**

An Option Agreement issued in respect of an Option shall specify:

(a) the Grant Date of the Option;

(b) the number of Shares subject to the Option;

(c) the Restrictions to which the Shares under Option are subject (if any);

(d) the Exercise Price;

(e) the vesting schedule or performance criteria imposed on the exercise of the Option (if any);

(f) the date(s) on which the Option will ordinarily become exercisable;

(g) the date(s) on which the Option will lapse; and

(h) a statement that:

(i) the Option is subject to these rules, Schedule 4 and any other legislation applying to Schedule 4 CSOPs; and

(ii) the provisions listed in rule 6(h)(i) shall prevail over any conflicting statement relating to the Option's terms.

7. **Earliest date for grant of Options**

An Option may not be granted earlier than the Effective Date.

8. **Persons to whom Options may be granted**

An Option may not be granted to an individual who is not an Eligible Employee at the Grant Date.

If an Eligible Employee's status changes to that of a Director or other Service Provider who is not an Employee, this shall be regarded as a termination of employment for the purposes of the CSOP Sub-Plan.

Sections 1, 2 and 5(a) of the Plan shall be construed accordingly.

9. **Options non transferable**

An Option shall be personal to the Eligible Employee to whom it is granted and, subject to rule 19 hereof, shall not be capable of being transferred, charged or otherwise alienated and shall lapse immediately if the Participant purports to transfer, charge or otherwise alienate the Option.

The Plan shall be construed accordingly.

10. **Limit on number of Shares placed under Option under CSOP Sub-Plan**

For the avoidance of doubt, Shares placed under Option under the CSOP Sub-Plan shall be taken into account for the purposes of Section 4 of the Plan.

11. **HMRC limit**

11.1. An Option may not be granted to an Eligible Employee if the result of granting the Option would be that the aggregate Market Value of the Shares subject to all outstanding options granted to him under the CSOP Sub-Plan or any other Schedule 4 CSOP would exceed sterling £60,000 or such other limit as may from time to time be specified in paragraph 6 of Schedule 4. For this purpose, the United Kingdom sterling equivalent of the Market Value of a share on any day shall be determined by taking the sterling/dollar exchange rate for that day as shown in the Wall Street Journal.

11.2. If the grant of an Option would otherwise cause the limit in rule 11.1 above to be exceeded, it shall take effect as the grant of an Option under the CSOP Sub-Plan over the highest number of Shares which does not cause the limit to be exceeded.

11.3. If the grant of any share option intended to be an Option (referred to in this rule 11.3 as the "***Excess Option***") would cause the total Market Value of Shares subject to:

(i) the Excess Option; and

(j) all Relevant CSOP Options held by the relevant Eligible Employee; and

(k) all Existing EMI Options held by the relevant Eligible Employee,

to exceed £250,000 (or any other amount specified in section 536(1)(e) of ITEPA 2003 at the relevant time), the whole of that Excess Option shall take effect as a share option granted outside the CSOP Sub-Plan (but under the Plan and subject to the same terms and conditions as if it were an Option) and without the tax advantages available for Options.

12. **Exercise of Options.**

12.1. Notwithstanding Section 5(b) of the Plan, the amount payable per Share on the exercise of an Option shall not be less than the Market Value (as defined in the CSOP Sub-Plan) of a Share on the Grant Date and shall be stated on the Grant Date.

12.2. Shares issued upon exercise of an Option will be issued only in the name of the Participant or, following his death, his personal representative.

12.3. A Participant may not exercise an Option at any time when the Participant:

(l) has a Material Interest (any interests of the Participant's Associates being treated as belonging to the Participant for this purpose); or

(m) had a Material Interest in the 12 months before that time (any interests of the Participant's Associates being treated as having belonged to the Participant for this purpose).

13. **Performance criteria imposed on exercise of Option**

13.1. Any performance criteria imposed on the exercise of an Option shall be:

(n) objective;

(o) such that, once satisfied, the exercise of the Option is not subject to the discretion of any person; and

(p) stated on the Grant Date.

13.2. If an event occurs as a result of which the Administrator considers that any performance criteria imposed on the exercise of an Option is no longer appropriate and amends or modifies the performance criteria, such amendment or modification shall:

(q) be fair and reasonable in the circumstances; and

(r) produce a measure of performance that is no more difficult to satisfy than the original.

14. **Exercise of Options by Leavers**

14.1. The period during which an Option shall remain exercisable following termination of employment, shall be stated at grant in the Option Agreement, which period may not thereafter be altered.

14.2. A Participant who ceases to be an Employee due to:

(s) injury;

(t) disability;

(u) retirement;

(v) Redundancy;

(w) the Participant's employer ceasing to be a Group Company; or

(x) a relevant transfer within the meaning of the Transfer of Undertakings (Protection of Employment) Regulations 2006,

will be a "***Good Leaver***" and may exercise their Option as provided in the Option Agreement during the period of six months following the date the Participant ceases to be an Employee and the Option shall lapse at the end of such exercise period to the extent it is not exercised.

15. **Latest date for exercise of Options**

The period during which an Option shall remain exercisable shall be stated in the Option Agreement and any Option not exercised by that time shall lapse immediately.

16. **Tax Liabilities**

16.1. Each Option shall include a requirement that the Participant irrevocably agrees to:

(y) pay to the Company, his employer or former employer (as appropriate) the amount of Tax Liability; or

(z) enter into arrangements to the satisfaction of the Company, his employer or former employer (as appropriate) for payment of any Tax Liability.

16.2. If a Participant does not fulfil his obligations under rule 16.1 in respect of any Tax Liability arising from the exercise of an Option within seven days after the date of exercise and Shares are readily saleable at that time, the Company shall withhold Sufficient Shares from the Shares which would otherwise be delivered to the Participant. From the net proceeds

of sale of those withheld Shares, the Company shall pay to the employer or former employer an amount equal to the Tax Liability and shall pay any balance to the Participant.

16.3. Section 9(e) of the Plan shall be construed accordingly.

16.4. Participants shall have no rights to compensation or damages on account of any loss in respect of Options or the CSOP Sub-Plan where such loss arises (or is claimed to arise), in whole or in part, from the CSOP Sub-Plan ceasing to be, or not qualifying as, a Schedule 4 CSOP.

17. **Manner of payment for Shares on exercise of Options**

The amount due on the exercise of an Option shall be paid:

(aa) in cash or by cheque or banker's draft and may be paid out of funds provided to the Participant on loan by a bank, broker or other person; or

(bb) if there is a public market for Shares at the time of exercise, unless the Company otherwise determines, (A) delivery (including telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to pay the exercise price, or (B) the Participant's delivery to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to pay the exercise price; provided that such amount is paid to the Company at such time as may be required by the Administrator.

For the avoidance of doubt, the amount may not be paid by the transfer to the Company of Shares or by a "net exercise".

Section 5(e) of the Plan shall be construed accordingly.

18. **Issue or transfer of Shares on exercise of Options**

Subject only to compliance by the Participant with the rules of the CSOP Sub-Plan and to any delay necessary to complete or obtain:

(cc) the listing of the Shares on any stock exchange on which Shares are then listed;

(dd) such registration or other qualification of the Shares under any applicable law, rule or regulation as the Company determines is necessary or desirable;

the Company shall, as soon as reasonably practicable after the date of exercise of an Option, issue or transfer to the Participant, or procure the issue or transfer to the Participant of, the number of Shares specified in the notice of exercise and shall deliver to the Participant, or procure the delivery to the Participant of, a share certificate in respect of such Shares (unless the Shares are held in uncertificated book entry form) together with, in the case of the partial exercise of an Option, an Option Agreement in respect of, or the original Option Agreement endorsed to show, the unexercised part of the Option.

19. **Death of Participant**

If a Participant dies, his personal representatives shall be entitled to exercise his Options as provided in the Option Agreement for the twelve-month period following his death. If not so exercised, the Options shall lapse immediately.

20. **Change in Control**

20.1. Exchange of Options

If:

(ee) a person (the "***Controller***") obtains Control of the Company as a result of:

(i) making a general offer to acquire the whole of the issued share capital of the Company (except for any capital already held by the Controller or any person connected with the Controller) that is made on a condition such that, if it is satisfied, the person making the offer will have Control of the Company; or

(ii) making a general offer to acquire all the shares in the Company (except for any shares already held by the Controller or any person connected with the Controller) that are of the same class as the Shares; or

(ff) a court sanctions a compromise or arrangement under section 899 of the Companies Act 2006 that is applicable to or affects:

(i) all the ordinary share capital of the Company or all the Shares of the same class as the Shares to which the Option relates; or

(ii) all the Shares, or all the Shares of that same class, which are held by a class of shareholders identified otherwise than by reference to their employment or directorships or their participation in a Schedule 4 CSOP; or

(gg) shareholders become bound by a non-UK reorganisation (as defined by paragraph 35ZA of Schedule 4) that is applicable to or affects:

(i) all the ordinary share capital of the Company or all the Shares of the same class as the Shares to which the Option relates; or

(ii) all the Shares, or all the Shares of that same class, which are held by a class of shareholders identified otherwise than by reference to their employment or directorships or their participation in a Schedule 4 CSOP; or

(hh) a person becomes bound or entitled to acquire Shares under sections 979 to 985 of the Companies Act 2006,

a Participant may, at any time during the period set out in rule 20.2 hereof by agreement with the Acquiring Company, release his Option in whole or in part in consideration of the grant to him of a new option ("***New Option***") which is equivalent to the Option but which

relates to shares in the Acquiring Company (or some other company falling within paragraph 27(2)(b) of Schedule 4) ("***New Shares***").

20.2. Period allowed for exchange of Options

The period referred to in rule 20.1 is the applicable period defined in paragraph 26(3) of Schedule 4.

20.3. Meaning of "equivalent"

The New Option shall not be regarded for the purpose of this rule 20 as equivalent to the Option unless:

(ii) the New Shares satisfy the conditions specified in paragraphs 16 to 18 and 20 inclusive of Schedule 4; and

(jj) save for any performance criteria imposed on the exercise of the Option, the New Option will be exercisable in the same manner as the Option and subject to the provisions of the CSOP Sub-Plan as it had effect immediately before the release of the Option; and

(kk) the total Market Value, immediately before the release of the Option, of the Shares which were subject to the Option is equal to the total Market Value, immediately after the grant of the New Option, of the New Shares determined using a methodology agreed by HMRC; and

(ll) the total amount payable by the Participant for the acquisition of the New Shares under the New Option is equal to the total amount that would have been payable by the Participant for the acquisition of the Shares under the Option.

20.4. Date of grant of New Option

The date of grant of the New Option shall be deemed to be the same as the Grant Date of the Option.

20.5. Application of CSOP Sub-Plan to New Option

In the application of the CSOP Sub-Plan to the New Option, where appropriate, references to "Company" and "Shares" shall be read as if they were references to the company to whose shares the New Option relates and the New Shares, respectively.

20.6. Interaction with Section 8(b) of the Plan

(mm) Reference in Section 8(b) of the Plan to cancellation, assumption or substitution, adjustment to the kind of shares, replacement or termination of Options, shall be disapplied for the purposes of the CSOP Sub-Plan.

(nn) In the event that a "Corporate Event" does not fall within rule 20.1 above, or where it does, but an Acquiring Company does not agree to grant a New Option, or if a New Option would not be regarded as 'equivalent' in accordance with rule 20.3 above, the Administrator shall give written notice to the Participants and all

Options shall be exercisable to the extent vested (or in full if the Administrator so determines) up to 20 days before a Corporate Event save that any Option exercised in anticipation of a transaction that does not take place will be treated as not having been exercised.

21. **Rights attaching to Shares issued on exercise of Options**

All Shares issued on the exercise of an Option shall, as to any voting, dividend, transfer and other rights, including those arising on a liquidation of the Company, rank equally in all respects and as one class with the Shares in issue at the date of such exercise save as regards any rights attaching to such Shares by reference to a record date prior to the date of such exercise.

22. **Amendment of CSOP Sub-Plan**

Notwithstanding Sections 2(a) and 10(d) of the Plan, no amendment to a Key Feature of the CSOP Sub-Plan shall take effect if, as a result of the amendment, the CSOP Sub-Plan would no longer be a Schedule 4 CSOP.

23. **Adjustment of Options**

23.1. Notwithstanding Sections 2(a), 8(a) and 8(b) of the Plan, no adjustment may be made to an Option (i) other than in accordance with paragraph 22 of Schedule 4 and (ii) in the event of a demerger or payment of a capital dividend or similar event.

23.2. Where an adjustment to an Option is made, the total Market Value of the Shares subject to the Option and the total amount payable on the exercise of the Option before and after the adjustment must be the same.

24. **Exercise of discretion by the Administrator**

In exercising any discretion which it may have under the CSOP Sub-Plan, the Administrator shall act fairly and reasonably and in good faith.

25. **No Employment or Other Service Rights.**

The following additional wording shall be included at the end of Section 10(a) of the Plan:

"A Participant waives all and any rights to compensation or damages under the Plan in consequence of the termination of his office or employment with the Company or an Affiliate for any reason (including, without limitation, any breach of contract by his employer)."

26. **Disapplication of certain provisions of Plan**

The provisions of the Plan dealing with:

(oo) The ability to modify, amend or reprice Options;

(pp) Share Appreciation Rights (contained in Section 5);

(qq) Non-Exempt U.S. Employee (contained in Section 5(f));

(rr) Restricted Shares; Restricted Share Units (contained in Section 6)

(ss) Other Share Based Awards (contained in Section 7);

(tt) ISOs;

(uu) The ability to adjust the kind of securities under Award and make cash payments (set out in Sections 8(a) and 8(b));

(vv) Termination of Status (Section 9(d));

(ww) The powers to amend and reprice (Section 9(g));

(xx) Section 409A (Section 10(f));

(yy) Change in Time Commitment (Section 10(t)); and

(zz) The Non-Employee Sub-Plan,

shall not form part of, and shall be disregarded for the purposes of the CSOP Sub-Plan.

Exhibit 12.1

**CERTIFICATION REQUIRED BY RULE 13A-14(A) OR 15D-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Craig Tooman, certify that:

1. I have reviewed this annual report on Form 20-F of Silence Therapeutics plc (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 13, 2024

By: /s/ Craig Tooman

Craig Tooman
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 12.2

CERTIFICATION REQUIRED BY RULE 13A-14(A) OR 15D-14(A)
UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Rhonda Hellums, certify that:

1. I have reviewed this annual report on Form 20-F of Silence Therapeutics plc (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 13, 2024

By: /s/ Rhonda Hellums
Rhonda Hellums
Chief Financial Officer
(Principal Financial Officer)

Exhibit 13.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Craig Tooman, President and Chief Executive Officer of Silence Therapeutics plc (the "Company"), hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Annual Report on Form 20-F of the Company for the period ended December 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 13, 2024

/s/ Craig Tooman
Craig Tooman
President and Chief Executive Officer
(Principal Executive Officer)

This certification accompanies the Form 20-F to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Silence Therapeutics plc under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 20-F), irrespective of any general incorporation language contained in such filing.

Exhibit 13.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Rhonda Hellums, Chief Financial Officer of Silence Therapeutics plc (the "Company"), hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Annual Report on Form 20-F of the Company for the period ended December 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 13, 2024

/s/ Rhonda Hellums
Rhonda Hellums
Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Form 20-F to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Silence Therapeutics plc under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 20-F), irrespective of any general incorporation language contained in such filing.

Exhibit 15.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form F-3 (No. 333-260265) and Form S-8s (No. 333-248682 and No. 333-273576) of Silence Therapeutics plc of our report dated March 13, 2024 relating to the financial statements, which appears in this Form 20-F.

/s/ PricewaterhouseCoopers LLP

Reading, United Kingdom

March 13, 2024

Exhibit 97.1

Silence Therapeutics plc Compensation Clawback Policy Adopted November 8, 2023

Purpose

The Board of Directors (the "Board") of Silence Therapeutics plc (the "Company") has adopted this compensation clawback policy (the "Policy") which provides for the recoupment of incentive-based compensation in the event of an accounting restatement. This Policy is intended to comply with Section 10D of the Securities Exchange Act of 1934
(the "Act"), the rules promulgated thereunder by the Securities and Exchange Commission (the "SEC"), and the listing standards of The Nasdaq Stock Market LLC ("Nasdaq" and such rules and listing standards, the "Applicable Rules"), and will be interpreted consistent therewith.

Applicability and Effective Date

This Policy is effective November 8, 2023 (the "Effective Date") and is applicable to all Incentive-Based Compensation (as defined below) received by Executive Officers (as defined below) after the Effective Date. The Policy will be administered by the Board or, if so designated by the Board, the Compensation Committee of the Board (the
"Committee"), in which case references to the Board will be deemed to be references to the Committee. Any determination made by the Board under this Policy will be final and binding on all affected individuals. Each Executive Officer shall be required to execute the acknowledgement in Appendix A of this Policy as soon as practicable after the later of (i) the Effective Date and (ii) the date on which the employee is designated as an Executive Officer; provided, however, that failure to execute such acknowledgement shall have no impact on the enforceability of this Policy.

Restatement Clawback

In the event the Company is required to prepare an Accounting Restatement (as defined below), any Executive Officer who received Excess Compensation (as defined below) during the three (3) completed fiscal years preceding the date the Company is required to prepare an Accounting Restatement (the "Look-Back Period") shall be required to repay or forfeit such Excess Compensation reasonably promptly. For purposes of this Policy, the date the Company is required to prepare an Accounting Restatement is deemed to be the earlier of the date (i) the Board concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) a court, regulator, or other legally authorized body directs the Company to prepare an Accounting Restatement.

Method of Repayment, Conditions for Non-Recovery

The Board shall have discretion to determine the appropriate means of recovery of Excess Compensation, which may include, without limitation, direct payment in a lump sum from the Executive Officer, recovery over time, cancellation of outstanding awards, the reduction of future pay and/or awards, and/or any other method which the Board determines is advisable to achieve reasonably prompt recovery of Excess Compensation. At the direction of the Board, the Company shall take all actions reasonable and appropriate to recover Excess Compensation from any applicable Executive Officer, and such Executive Officer shall be required to reimburse the Company for any and all expenses reasonably incurred (including legal fees) by the Company in recovering such Excess Compensation in accordance with this Policy.

The Committee, or in the absence of the Committee, a majority of the independent directors on the Board, may determine that repayment of Excess Compensation (or a portion thereof) is not required only where it determines that recovery would be impracticable and one of the following circumstances exists: (i) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered, provided the Company has (A) made a reasonable attempt to recover such Excess Compensation, (B) documented such reasonable attempt, and (C) provided such documentation to Nasdaq; (ii) if the Company is a "foreign private issuer" as defined under the Applicable Rules, recovery would violate home country law where the law was adopted prior to November 28, 2022, provided the Company has (A) obtained an opinion of home country counsel acceptable to Nasdaq that recovery would result in such violation and (B) provided such opinion to the Nasdaq; or (iii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and the regulations thereunder.

No Fault Application, No Indemnification

Recovery of Excess Compensation under this Policy is on a "no fault" basis, meaning that it will occur regardless of whether the Executive Officer engaged in misconduct or was otherwise directly or indirectly responsible, in whole or in part, for the Accounting Restatement. No Executive Officer may be indemnified by the Company, or any of its affiliates, from losses arising from the application of this Policy.

Definitions
For purposes of this Policy, the following definitions will apply:

"Accounting Restatement" means an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that corrects an error that is not material to previously issued financial statements but would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

Changes to financial statements that do not constitute an Accounting Restatement include retroactive: (i) application of a change from one generally accepted accounting principle to another generally accepted accounting principle; (ii) revisions to reportable segment information due to a change in internal organization;
(iii) reclassification due to a discontinued operation; (iv) application of a change in reporting entity, such as from a reorganization of entities under common control; (v) adjustments to provisional amounts in connection with a prior business combination (to the extent the Company reports its financial information under International Financial Reporting Standards); and (vi) revisions for stock splits, reverse stock splits, stock dividends, or other changes in capital structure.

"Excess Compensation" means any amount of Incentive-Based Compensation received by an Executive Officer after commencement of service as an Executive Officer that exceeds the amount of Incentive-Based Compensation that otherwise would have been received had it been determined based on the Accounting Restatement, computed without regard to any taxes paid. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount to be recovered is not subject to mathematical recalculation directly from information in the Accounting Restatement, the amount to be recovered shall be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return, as applicable, and the Company shall retain documentation of the determination of such estimate and provide such documentation to Nasdaq if so required by the Applicable Rules. Incentive-Based Compensation is deemed received during the fiscal year during which the applicable financial reporting measure, stock price and/or total shareholder return measure, upon which the payment is based, is achieved, even if the grant or payment occurs after the end of such period.

"Executive Officer" means an individual who is, or was during the Look-Back Period, an executive officer of the Company within the meaning of Rule 10D-1(d) under the Act.

"Incentive-Based Compensation" means any compensation that is granted, earned or vested based wholly or in part on stock price, total shareholder return, and/or the attainment of (i) any financial reporting measure(s) that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements and/or (ii) any other measures that are derived in whole or in part from such measures.

Compensation that does not constitute "Incentive-Based Compensation" includes equity incentive awards for which the grant is not contingent upon achieving any financial reporting measure performance goal for an individual to receive such award and that vest exclusively upon completion of a specified employment period, without any performance condition, and bonus awards that are discretionary or based on subjective goals or goals unrelated to financial reporting measures.

Administration, Amendment, and Termination

This Policy will be enforced and, if applicable, appropriate proxy disclosures and exhibit filings will be made in accordance with the Applicable Rules and any other applicable rules and regulations of the SEC.

The Board shall have authority to (i) exercise all of the powers granted to it under the Policy, (ii) construe, interpret, and implement this Policy, and (iii) make all determinations necessary or advisable in administering this Policy.

In addition, the Board may amend this Policy, from time to time in its discretion, and shall amend this Policy, as it deems necessary, including to reflect changes in the Applicable Rules or other applicable law. The Board may terminate this Policy at any time. Any such amendment (or provision thereof) or termination shall not be effective if such amendment or termination would (after taking into account any actions taken by the Company contemporaneously with such amendment or termination) cause the Company to violate the Applicable Rules.

In the event of any conflict or inconsistency between this Policy and any other policies, plans, or other materials of the Company (including any agreement between the Company and any Executive Officer subject to this Policy), this Policy will govern.

This Policy will be deemed to be automatically updated to incorporate any requirement of law, the SEC, exchange listing standard, rule or regulation applicable to the Company.