

## **Carrick Therapeutics Limited**

Directors' report and financial statements for the  
financial year ended 31 December 2024

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2024

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## CARRICK THERAPEUTICS LIMITED

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### DIRECTORS AND OTHER INFORMATION

DIRECTORS	Timothy Pearson John Bourke (Appointed 11 September 2024) Steven Gillis (Resigned 11 September 2024) George Golumbeski (Resigned 11 September 2024) Jonathan Hepple (Resigned 11 September 2024) Caroline Gaynor Butler (Resigned 11 September 2024) Robert Mittlendorff (Resigned 11 September 2024)
COMPANY SECRETARY	Bradwell Limited John Bourke
REGISTERED OFFICE	10 Earlsfort Terrace, Dublin 2, D02 T380.
REGISTERED NUMBER	558773
SOLICITORS	Arthur Cox, 10 Earlsfort Terrace, Dublin 2.
BANKERS	Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.
AUDITOR	Ernst & Young, Chartered Accountants, Ernst & Young Building, Harcourt Centre, Harcourt Street, Dublin 2.

**DIRECTORS' REPORT**

**for the year ended 31 December 2024**

The directors present their annual report and audited financial statements for the financial year ended 31 December 2024.

*PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS*

The principal activity of the Company is the research and development of cancer therapeutics. During the year ended 31 December 2024, the Company continued to build an innovative portfolio of first-in-class treatments that target multiple mechanisms of the most aggressive forms of cancer.

During the year, a group reorganisation occurred with the Company issuing an ordinary share to Carrick Therapeutics Inc. to affect the establishment of Carrick Therapeutics Inc. as the Group's parent undertaking. Carrick Therapeutics U.S., Inc, ownership transferred from the Company to Carrick Therapeutics Inc. as part of the same reorganisation.

Carrick Therapeutics Inc. obtained funding of \$23.5 million in November 2025 through convertible note financing which provides the Group with sufficient cash runway to main operations until March 2027.

*RESULTS, STATE OF AFFAIRS AT 31 DECEMBER AND DIVIDENDS*

The loss for the financial year, after taxation, amounted to \$26.6 million (2023: loss of \$24.3 million). Net assets amounted to \$19.9 million at the balance sheet date (2023: Net liabilities of \$130.5 million).

The significant movement in net assets arose as convertible preference shares treated as liabilities were redeemed during the year as part of the group reorganisation.

The directors have not recommended a dividend.

*PRINCIPAL RISKS AND UNCERTAINTIES*

The Company's operations expose it to a variety of financial risks that include the following:

*Foreign exchange risk*

A significant portion of the Company's operations are in Ireland and it is exposed to foreign exchange risk in the normal course of business with respect to Euro and Sterling. Foreign exchange exposure is kept under constant review and in the purview of the directors, not material to the financial statements.

*Liquidity risk*

Funding is managed at the Group level to ensure that the Group and the Company have sufficient available funds for operations and its research and development programme. Carrick Therapeutics Inc. obtained a funding of \$23.5 million in November 2025 through convertible notes which supports continuing operations until at least March 2027. Refer also to the going concern section.

The Company is not materially exposed to credit or interest rate risk.

The Company's primary business risks are as follows:

**DIRECTORS' REPORT**  
for the year ended 31 December 2024 (continued)

*PRINCIPAL RISKS AND UNCERTAINTIES (continued)*

*Product development risk*

The Company is focused on oncology therapeutics and currently has two significant programs in clinical studies (2023: two), which will only result in commercially viable products upon successful completion of the respective clinical trials.

*GOING CONCERN*

The Company has incurred a loss during the year of \$26.6 million (2023: \$24.3 million) however, the shareholders' surplus at year end amounted to \$19.9 million (2023: Deficit of \$130.5 million), following the redemption of the previously held preference share liability of \$181.2 million as part of the group reorganisation during the year. The directors have performed a going concern assessment, comprising a review of the Company's financial position, future operations and forecast cashflows for a period of 12 months from the date of approval of the financial statements. The ultimate parent Company, Carrick Therapeutics Inc. obtained funding of \$23.5 million in November 2025 through convertible notes which supports continuing operations until at least March 2027. Carrick Therapeutics Inc. undertakes to provide financial support to the Company to ensure payment of their debts as and when they fall due.

The directors are satisfied that the Company has sufficient funding in place to continue operations for the period assessed, and accordingly, that the financial statements are prepared on a going concern basis.

*DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY*

In accordance with section 329 of the Companies Act 2014, the directors' shareholdings and the movements therein during the financial year ended 31 December 2024 were as follows:

	<i>Unexercised options on ordinary shares of \$0.0001 each</i>	
	<i>31 December 2024</i>	<i>31 December 2023</i>
Timothy Pearson	7,363,438	6,131,582
John Bourke	246,000	186,000
	<u>7,609,438</u>	<u>6,317,582</u>

*RESEARCH AND DEVELOPMENT ACTIVITIES*

The Company incurred research and development expenditure during the year of \$18.3 million (2023: \$16.1 million) which were expensed through the statement of comprehensive income and no amounts were capitalised.

**DIRECTORS' REPORT**  
for the year ended 31 December 2024 (Continued)

*FUTURE DEVELOPMENTS*

Our focus remains firmly concentrated on the research and development of cancer therapeutics.

*EMPLOYEE MATTERS*

The Board of Directors is fully committed to operating ethically and responsibly in relation to employees, suppliers, and all other stakeholders.

*ENVIRONMENTAL MATTERS*

The Company will continue to seek to minimise any adverse impacts on the environment from its activities. The Company has complied with all applicable legislation and regulations.

*POST STATEMENT OF FINANCIAL POSITION EVENTS*

There have been no adjusting or non-adjusting post balance sheet events since the end of the year.

*STATEMENT ON RELEVANT AUDIT INFORMATION*

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- So far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- The director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

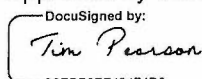
*ACCOUNTING RECORDS*

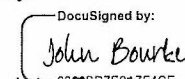
The measures taken by the directors to ensure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at 10 Earlsfort Terrace, Dublin 2 and the parent Company's primary office at One Marina Park Drive, Boston, MA 02210, USA.

*AUDITOR*

The auditor, Ernst & Young, Chartered Accountants, will continue in office in accordance with section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:

DocuSigned by:  
  
306D93FE9324D6  
Timothy Pearson  
Director  
12 March 2026

DocuSigned by:  
  
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John Bourke  
Director  
12 March 2026

**DIRECTORS' RESPONSIBILITIES STATEMENT**  
**for the year ended 31 December 2024**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish Company law requires the directors to prepare the Company financial statements for each financial year. Under the law, the directors have elected to prepare the Company financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under Company law, the directors must not approve Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing the Company financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board and signed on its behalf by:

DocuSigned by:  
  
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Timothy Pearson  
Director  
12 March 2026

DocuSigned by:  
  
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John Bourke  
Director  
12 March 2026



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARRICK THERAPEUTICS LIMITED**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Carrick Therapeutics Limited ('the Company') for the year ended 31 December 2024, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of changes in Equity and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARRICK THERAPEUTICS LIMITED**

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2014**

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year ended for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, other than those parts relating to sustainability reporting where required by Part 28 of the Companies Act 2014, has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

### **Matters on which we are required to report by exception**

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARRICK THERAPEUTICS LIMITED

### Respective responsibilities

#### Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf). This description forms part of our auditor's report.

#### The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Roger Wallace

for and on behalf of

Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin, Ireland

Date: 13 March 2026

CARRICK THERAPEUTICS LIMITED

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STATEMENT OF COMPREHENSIVE INCOME  
for the financial year ended 31 December 2024

	<i>Note</i>	2024 \$	2023 \$
Operating expenses		(26,406,653)	(24,369,295)
Foreign exchange (loss) / gain		(43,181)	34,363
Operating loss	4	(26,449,834)	(24,334,932)
Loss on disposal of investment in subsidiary	8	(201,825)	-
Loss before taxation		(26,651,659)	(24,334,932)
Tax expense	7	-	-
Loss for the financial year		<u>(26,651,659)</u>	<u>(24,334,932)</u>

All amounts relate to continuing operations.

The Company has no other recognized items of income and expenses other than the results for the financial year as set out above.

**CARRICK THERAPEUTICS LIMITED**

**STATEMENT OF FINANCIAL POSITION  
at 31 December 2024**

	Note	2024 \$	2023 \$
<b>NON CURRENT ASSETS</b>			
Financial assets	8	-	383,825
Debtors (amounts falling due after more than one year)		86,912	107,996
		<u>86,912</u>	<u>491,821</u>
<b>CURRENT ASSETS</b>			
Debtors (amounts falling due within one year)	9	2,117,944	4,717,860
Cash at hand and in bank	10	27,279,407	52,960,734
		<u>29,397,351</u>	<u>57,678,594</u>
CREDITORS (amounts falling due within one year)	11	(9,579,534)	(7,519,286)
		<u>19,817,817</u>	<u>50,159,308</u>
<b>NET CURRENT ASSETS</b>			
		<u>19,817,817</u>	<u>50,159,308</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>19,904,729</u>	<u>50,651,129</u>
CREDITORS (amounts falling due after more than one year)	12	-	(181,174,763)
		<u>19,904,729</u>	<u>(130,523,634)</u>
<b>NET ASSETS / (LIABILITIES)</b>			
		<u><u>19,904,729</u></u>	<u><u>(130,523,634)</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital presented as equity	13	1	893
Share premium account	14	-	56,791
Capital contribution account		176,473,726	-
Capital redemption reserve		3,147	3,147
Other reserves		5,477,080	4,827,436
Profit and loss account		(162,049,225)	(135,411,901)
		<u>19,904,729</u>	<u>(130,523,634)</u>
<b>SHAREHOLDERS' SURPLUS / (DEFICIT)</b>			
		<u><u>19,904,729</u></u>	<u><u>(130,523,634)</u></u>

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

The financial statements were approved and authorised for issue by the board:

DocuSigned by:  
*Tim Pearson*  
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Timothy Pearson  
Director  
12 March 2026

DocuSigned by:  
*John Bourke*  
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John Bourke  
Director  
12 March 2026

CARRICK THERAPEUTICS LIMITED

STATEMENT OF CHANGES IN EQUITY  
for the financial year ended 31 December 2024

	Called up share capital \$	Share premium account \$	Capital contribution reserve \$	Capital redemption reserve \$	Other reserve share based compensation \$	Profit and loss account \$	Total \$
At 1 January 2023	893	56,791	-	3,147	2,774,400	(111,107,571)	(108,272,340)
<i>Total comprehensive loss for the year:</i>							
Loss for the financial year	-	-	-	-	-	(24,334,933)	(24,334,933)
Total comprehensive loss for the financial year	-	-	-	-	-	(24,334,933)	(24,334,933)
Share option compensation	-	-	-	-	2,083,639	-	2,083,639
Cancellation of options	-	-	-	-	(30,603)	30,603	-
At 31 December 2023	893	56,791	-	3,147	4,827,436	(135,411,901)	(130,523,634)
At January 2024	893	56,791	-	3,147	4,827,436	(135,411,901)	(130,523,634)
<i>Total comprehensive loss for the year:</i>							
Loss for the financial year	-	-	-	-	-	(26,651,659)	(26,651,659)
Total comprehensive loss for the financial year	-	-	-	-	-	(26,651,659)	(26,651,659)
Share option compensation	-	-	-	-	649,644	-	649,644
Redemption during the year	(893)	(56,791)	-	-	-	14,335	(43,349)
Issuances during the year	1	-	-	-	-	-	1
Net contribution from group reorganisation	-	-	176,473,726	-	-	-	176,473,726
At 31 December 2024	1	-	176,473,726	3,147	5,477,080	(162,049,225)	19,904,729

**NOTES TO THE FINANCIAL STATEMENTS**

**31 December 2024**

1. STATEMENT OF COMPLIANCE

Carrick Therapeutics Limited is a private Company limited by shares and was incorporated in the Republic of Ireland with a registered office at 10 Earlsfort Terrace, Dublin 2.

The nature of the Company's operations and its principal activities are set out in the Directors' Report.

The Company's financial statements have been prepared in accordance with applicable accounting standards issued by the Financial Reporting Council, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally Accepted Accounting Practice in Ireland).

2. ACCOUNTING POLICIES

2.1 *Basis of preparation of financial statements*

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The Company qualifies as a small group as defined by section 280A of the Act, in respect of the financial year and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Act and section 1A of FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Company's management to exercise judgment in applying the Company's accounting policies (see note 3).

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2024 (Continued)**

2. ACCOUNTING POLICIES (Continued)

2.2 *Going concern*

The Company has incurred a loss during the year of \$26.6 million (2023: \$24.3 million) however the shareholders' surplus at year end amounted to \$19.9 million (2023: Deficit of \$130.5 million), following the redemption of the previously held preference share liability of \$181.2 million as part of the group reorganisation during the year. The directors have performed a going concern assessment, comprising a review of the Company's financial position, future operations and forecast cashflows for a period of 12 months from the date of approval of the financial statements. The ultimate parent Company, Carrick Therapeutics Inc. obtained funding of \$23.5 million in November 2025 through convertible notes which supports continuing operations until at least March 2027. Carrick Therapeutics Inc. undertakes to provide financial support to the Company to ensure payment of their debts as and when they fall due.

The directors are satisfied that the Company has sufficient funding in place to continue operations for the period assessed, and accordingly, that the financial statements are prepared on a going concern basis.

2.3 *Foreign currency translation*

The Company presentational currency and the Company's functional currency are US Dollars.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. All differences are taken to the statement of comprehensive income.

2.4 *Research and development*

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

2.5 *Government grants*

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure.

2.6 *Borrowing costs*

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

2.8 *Taxation*

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 *Share-based payments*

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments granted at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by an external valuer using an appropriate pricing model.

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

2.9 *Share-based payments (Continued)*

In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company (market conditions) and non-vesting conditions.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the profit and loss account for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value expensed in the profit and loss account.

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

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

2.10 *Investment in subsidiary*

The financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiary). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

2.10 *Investment in subsidiary (Continued)*

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent.

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 *Financial instruments*

The Company have chosen to account for their financial instruments in accordance with Sections 11 and 12 of FRS 102. The Company's financial assets and liabilities comprise other receivables, cash and cash equivalents, trade and other payables, and the liability component of cumulative preference shares. The accounting policies for these items are described below.

*Basic financial instruments – financial assets other than equity investments*

Other receivables are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. These basic financial assets, other than short term receivables, are subsequently carried at amortised cost using the effective interest method. Short term receivables with no stated interest rate which are receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in administrative expenses.

*Convertible redeemable preference shares classified as debt*

Financial assets and liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- They include no contractual obligation upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- Where the instruments will or may be settled in the Company's own equity instruments or is a derivative that will be settled the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges.

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

2.11 *Financial instruments*

The conversion rights associated with convertible redeemable preference shares are assessed for classification as debt or equity. Those with fixed conversion rights represent equity and those with conversion rights which vary in respect of the number or value of equity instruments received on conversion are classified as debt and subsequently measure at amortised cost.

*Cash and cash equivalents*

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less. It also includes cash receivable on debit or credit cards, where the transaction has been authorised but the funds have yet to clear the bank. Such balances are considered highly liquid with minimal risk of default and typically funds are received in less than 3 days.

*Basic financial instruments - financial liabilities*

Basic financial liabilities including other payables are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the liability is measured at the present value of the future payments discounted at a market rate of interest. Basic financial liabilities, other than short term payables, are subsequently carried at amortised cost, using the effective interest rate method. The effective interest rate amortisation is included in interest payable and similar expenses in the income statement. Short term trade and other payables with no stated interest rate which are payable within one year are recorded at transaction price.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgements, estimates and assumptions used in the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates, and the effect of any change in estimates will be adjusted in the financial statements when they become reasonably determinable.

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under these circumstances. Significant or estimates made by the management as part of the preparation of these financial statements:

*Share-based payments*

The Company's employees have been granted share options of the parent undertaking, Carrick Therapeutics Inc. The value of share-based payments are calculated using option pricing models which require judgments as to the equity value of the group along with other modelling inputs.

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2024 (Continued)

4. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The loss on ordinary activities before taxation is stated after charging/(crediting):	2024 \$	2023 \$
Research and development charged as an expense	18,384,616	16,067,294
Transfer pricing charge	1,467,331	-
Foreign exchange differences	166,874	(32,012)
Operating lease rentals	75,766	75,037
	<u>18,094,587</u>	<u>16,110,319</u>

In the current year, the Company accepted a transfer pricing charge in respect of services provided by the VP of Finance and the CEO of the group towards Carrick Therapeutics Limited, who are remunerated through the parent undertaking.

5. EMPLOYEES

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

	2024 No.	2023 No.
Operational	10	10
Administration	2	2
	<u>12</u>	<u>12</u>
	2024 \$	2023 \$
Wages and salaries, excluding directors	3,123,438	3,140,852
Social welfare costs	401,002	401,205
Other pension costs	175,898	167,860
	<u>3,700,338</u>	<u>3,709,917</u>

Capitalised employee costs during the financial year amounted to \$Nil (2023: \$Nil).

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2024 (Continued)

6. DIRECTORS' REMUNERATION

	2024	2023
	\$	\$
Directors' emoluments	856,292	938,973
Share options	344,967	805,812
Other benefits	30,843	-
	<u>1,232,102</u>	<u>1,744,785</u>

One of the directors of the company is partially remunerated for their qualifying services through its parent undertaking.

7. TAXATION

	2024	2023
	\$	\$
Current tax for the year	-	-
	<u>-</u>	<u>-</u>

*Factors affecting tax charge for the financial year*

The tax assessed for the financial year differs from the standard rate of corporation tax in Ireland of 12.5% (2023: 12.5%). The differences are explained below:

	2024	2023
	\$	\$
Loss on ordinary activities before taxation	(26,651,659)	(24,344,932)
Loss on ordinary activities multiplied by the standard rate of corporation tax in Ireland 12.5% (2022: 12.5%)	(3,331,457)	(3,041,867)
<i>Effects of:</i>		
Expense not deductible for tax purposes	30,626	380,164
R&D tax credit not taxable	(38,222)	(16,451)
Others	(7,798)	-
Unrelieved tax losses carried forward	3,346,851	2,678,154
	<u>-</u>	<u>-</u>
Total tax charge for the financial year	<u>-</u>	<u>-</u>

*Factors that may affect future tax charges*

A deferred tax asset of \$19.6 million (2023: \$16.3 million) has not been recognised as deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2024 (Continued)

8. FINANCIAL ASSETS

<i>COMPANY</i>	<i>Investments in subsidiary companies</i>
	\$
<i>Cost or valuation:</i>	
At 1 January 2024	383,825
	<u>          </u>
At 31 December 2024	-
	<u>          </u>

*Subsidiary undertakings*

The following are subsidiary undertakings of the Company:

<i>Name</i>	<i>Country of incorporation</i>	<i>Class of shares</i>	<i>Holding</i>
Carrick Therapeutics UK Limited	United Kingdom	Ordinary	100%

On 31 December 2024, Carrick Therapeutics Ltd transferred the ownership of Carrick Therapeutics U.S., Inc. to the parent Company, Carrick Therapeutics Inc., for a consideration of a promissory note amounting to \$182,000, resulting in a loss on disposal of \$201,825.

9. DEBTORS

*Amounts falling due within one year:*

	<i>2024</i>	<i>2023</i>
	\$	\$
Amounts owed by related parties	239,958	3,827,734
Other debtors	1,483,339	333,986
R&D tax credit receivable	301,530	351,751
VAT repayable	19,424	10,543
Prepayments	73,666	193,846
	<u>          </u>	<u>          </u>
	2,117,944	4,717,860
	<u>          </u>	<u>          </u>

Amounts due from related parties are recoverable on demand and are not subject to interest.

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2024 (Continued)

9. DEBTORS (continued)

*Amounts falling due after more than one year:*

	2024	2023
	\$	\$
R&D tax credit receivable	86,912	107,996

10. CASH AT HAND AND IN BANK

	2024	2023
	\$	\$
Cash at hand and in bank	27,279,407	52,960,734

11. CREDITORS (amount falling due within one year)

	2024	2023
	\$	\$
Amounts owed to related parties	1,467,331	-
Trade creditors	638,630	3,974,475
PAYE/PRSI	111,190	109,028
Other creditors	17,475	16,935
Accruals	7,344,908	3,418,848
	<u>9,579,534</u>	<u>4,717,860</u>

Amounts due to related parties are payable on demand and are not subject to interest.

12. CREDITORS (amount falling due after more than one year)

	2024	2023
	\$	\$
Convertible preference shares	-	181,174,763

As part of the group reorganisation in May 2024, the Company redesignated all the share classes as redeemable and subsequently undertook the redemption, executed through the issue of promissory notes to the shareholders.

CARRICK THERAPEUTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2024 (Continued)

13. SHARE CAPITAL	2024	2023
	\$	\$
<i>Authorised:</i>		
Ordinary shares		
1 (2023: 64,527,450) ordinary shares of \$0.0001 each	1	6,453
	<hr/>	<hr/>
Preferred shares		
Nil (2023: 26,059,664) A preferred shares of \$0.0001 each	-	2,606
Nil (2023: 15,854,758) B-2 preferred shares of \$0.0001 each	-	1,586
Nil (2023: 32,769,255) C preferred shares of \$0.0001 each	-	3,277
Nil (2023: 25,617,510) D preferred shares of \$0.0001 each	-	2,562
Nil (2023: 38,806,577) E preferred shares of \$0.0001 each	-	3,881
	<hr/>	<hr/>
	1	15,790
	<hr/> <hr/>	<hr/> <hr/>
	2024	2023
	\$	\$
<i>Allotted and called up and fully paid:</i>		
1 (2024: 8,268,545) ordinary shares of \$0.0001 each	1	893
	<hr/>	<hr/>
Preferred shares		
Nil (2023: 26,059,664) A preferred shares of \$0.0001 each	-	2,606
Nil (2023: 12,632,535) B-2 preferred shares of \$0.0001 each	-	1,263
Nil (2023: 25,408,046) C preferred shares of \$0.0001 each	-	2,541
Nil (2023: 25,617,510) D preferred shares of \$0.0001 each	-	2,562
Nil (2022: 15,522,634) Series E preferred shares of \$0.0001 each	-	1,552
	<hr/>	<hr/>
	1	9,865
	<hr/> <hr/>	<hr/> <hr/>

On 30 May 2024, Carrick Therapeutics Limited completed a group reorganisation with the objective of establishing a new parent company incorporated in the U.S. The existing shareholders of Carrick Therapeutics Limited subscribed for newly issued shares of Carrick Therapeutics, Inc., in the same number and classes and with rights consistent with those holding in Carrick Therapeutics Limited.

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2024 (Continued)

13. SHARE CAPITAL (continued)

Concurrently, the Company issued one new ordinary share to Carrick Therapeutics Inc, receiving a promissory note of US\$181.2 million in consideration and redeemed all pre-existing shares through the issue of a promissory note of equal value. As a result of this reorganisation, Carrick Therapeutics, Inc. became the sole shareholder of Carrick Therapeutics Limited.

14. RESERVES

*Share premium account*

Share premium account include any premiums received on issue of share capital.

*Foreign exchange reserve*

The foreign exchange reserve comprises all foreign exchange differences arising from the translation of the net assets of the Company's non-euro functional currency subsidiary, including the translation of the results of the average exchange rate for the financial year to the exchange rate at the financial period end.

*Other reserves*

Capital contribution account:

As part of the group reorganisation, the Company issued one share with consideration being in the form of a promissory note noted in the value of US\$181.2 million. Also, as part of the reorganisation, the Company forgave an inter-company receivable balance of US\$4.7 million which was due from a then subsidiary undertaking.

	2024	2023
	\$	\$
Shares issued for non cash consideration	181,218,112	-
Intercompany receivable relinquished in favour of the parent undertaking	(4,744,386)	-
Net contribution from group reorganisation	<u>176,473,726</u>	<u>-</u>

Share based compensation reserve:

This reserve records the amount provided for the cost of share options granted to employees.

Profit and loss account:

Includes all current and prior period retained profits and losses.

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2024 (Continued)

15. SHARE BASED PAYMENTS

*Equity-settled share-based payments*

During the year, there was a group reorganization. As part of this process, outstanding share options previously granted to employees over the equity of the Company were cancelled, and replacement options were issued by the Company's ultimate parent undertaking, Carrick Therapeutics Inc., on substantially similar terms. No incremental fair value arose from the replacement of these awards.

Details of the number of share options and weighted average exercise price (WAEP) outstanding during the financial year are as follows:

	<i>Weighted average exercise price (USD) 2024</i>	<i>Number 2024</i>	<i>Weighted average exercise price (USD) 2023</i>	<i>Number 2023</i>
Outstanding at the beginning of the year	0.48	6,607,250	0.38	3,942,353
Cancelled during the year	0.48	(6,607,250)	0.37	(130,103)
Replaced during the year	0.48	6,607,250	-	-
Granted during the year	0.56	1,809,115	0.58	2,795,000
	-----	-----	-----	-----
Outstanding at the end of the year	0.49	8,416,365	0.48	6,607,250
	=====	=====	=====	=====

The share options are equity-settled share-based payments as defined in FRS 102, share based payment. FRS 102 requires that a recognised valuation methodology be employed to determine the fair value of share options granted.

The exchange of the original share options of the Company for options over Carrick Therapeutics Inc. Limited's shares have been accounted for as a modification of the original share-based payment arrangement rather than a cancellation. The transaction formed part of a no change of control group reorganization and the new share options in Carrick Therapeutics Inc. Limited were explicitly identified as replacement awards for the cancelled options.

The replacement awards preserved the economic substance of the original arrangement and were designed to be economically equivalent to the original options, with no substantive incremental benefit provided to the option holder.

The expense reported in the statement of comprehensive income of \$359,505 in respect of replacement options and \$290,139 in respect of options granted during the year has been arrived at through applying Black-Scholes option pricing model.

**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2024 (Continued)**

15. SHARE BASED PAYMENTS (Continued)

The fair values of cumulative options granted by the Company were determined using the following assumptions:

	2024	2023
	\$	\$
Weighted average exercise price (\$)	0.49	0.44
Expected life (years)	7	7
Expected volatility (average)	68.6%	59.4%
Risk-free interest rate (average)	3.3%	2.5%
	<u>          </u>	<u>          </u>

16. RELATED PARTY TRANSACTIONS

There are no other related party transactions which are required to be disclosed in accordance with FRS 102.

17. POST BALANCE SHEET EVENTS

No adjusting or non-adjusting post balance sheet events since the end of the year were identified.

18. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 12 March 2026.