

**ELEVEN THERAPEUTICS (UK) LTD**  
**Unaudited Financial Statements**  
**For the financial year ended 31 December 2022**  
**Pages for filing with the registrar**

**ELEVEN THERAPEUTICS (UK) LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2022**

**Contents**

Statement of Financial Position .....	3
Notes to the Financial Statements .....	4

**ELEVEN THERAPEUTICS (UK) LTD**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2022**

	<b>Note</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	3	277,647	34,128
		<b>277,647</b>	<b>34,128</b>
<b>Current assets</b>			
Debtors	4	166,500	60,770
Cash at bank and in hand		563,052	1,733,011
		<b>729,552</b>	<b>1,793,781</b>
Creditors: amounts falling due within one year	5	( 909,720)	( 1,811,358)
<b>Net current liabilities</b>		<b>(180,168)</b>	<b>(17,577)</b>
<b>Total assets less current liabilities</b>		<b>97,479</b>	<b>16,551</b>
Provision for liabilities	6	0	( 1,174)
<b>Net assets</b>		<b>97,479</b>	<b>15,377</b>
<b>Capital and reserves</b>			
Called-up share capital	7	100	100
Profit and loss account	9	97,379	15,277
<b>Total shareholder's funds</b>		<b>97,479</b>	<b>15,377</b>

For the financial year ending 31 December 2022 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The member has not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Statement of Comprehensive Income has not been delivered.

The financial statements of Eleven Therapeutics (UK) Ltd (registered number: 13192758) were approved and authorised for issue by the Director. They were signed on its behalf by:

S Ilan  
Director

20 September 2023

**ELEVEN THERAPEUTICS (UK) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2022**

## **1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

### **General information and basis of accounting**

Eleven Therapeutics (UK) Ltd (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's Registered Office is 35 Ballards Lane, London, N3 1XW.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in Pound Sterling which is the functional currency of the Company and rounded to the nearest £.

### **Foreign currency**

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

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in Statement of Comprehensive Income within 'other operating income'.

### **Turnover**

Revenue arises from cost plus recharges made to the parent company. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

### **Interest income**

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**ELEVEN THERAPEUTICS (UK) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2022**

## **Taxation**

### *Deferred tax*

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

## **Share-based payments**

Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to the date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the Statement of Comprehensive Income.

## **Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Plant and machinery	3 years straight line
Office equipment	3 years straight line
Computer equipment	3 years straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to Statement of Comprehensive Income.

## **Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

## **Financial instruments**

The Company only enters into basic financial instruments and transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to and from related parties and investments in non-puttable ordinary shares.

**ELEVEN THERAPEUTICS (UK) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2022**

*Financial assets*

Basic financial assets, including trade and other debtors, and amounts due from related companies, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

*Financial liabilities*

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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

**Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**ELEVEN THERAPEUTICS (UK) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2022**

**2. Employees**

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Monthly average number of persons employed by the Company during the year, including directors	12	7

**3. Tangible assets**

	<b>Plant and machinery</b>	<b>Office equipment</b>	<b>Computer equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 01 January 2022	33,400	739	6,494	40,633
Additions	283,841	663	13,459	297,963
<b>At 31 December 2022</b>	<b>317,241</b>	<b>1,402</b>	<b>19,953</b>	<b>338,596</b>
<b>Accumulated depreciation</b>				
At 01 January 2022	5,511	44	950	6,505
Charge for the financial year	49,872	316	4,256	54,444
<b>At 31 December 2022</b>	<b>55,383</b>	<b>360</b>	<b>5,206</b>	<b>60,949</b>
<b>Net book value</b>				
<b>At 31 December 2022</b>	<b>261,858</b>	<b>1,042</b>	<b>14,747</b>	<b>277,647</b>
At 31 December 2021	27,889	695	5,544	34,128

**4. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts owed by Group undertakings	1,058	0
Other debtors	165,442	60,770
	<b>166,500</b>	<b>60,770</b>

Amounts owed by group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

**ELEVEN THERAPEUTICS (UK) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2022**

**5. Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	240,557	20,514
Amounts owed to Group undertakings	565,985	1,731,352
Accruals	55,223	55,290
Other taxation and social security	25,042	( 2,574)
Other creditors	22,913	6,776
	<b>909,720</b>	<b>1,811,358</b>

Amounts owed to group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

**6. Deferred tax**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
At the beginning of financial year	( 1,174)	0
Credited/(charged) to the Profit and Loss Account	1,174	( 1,174)
At the end of financial year	<b>0</b>	<b>( 1,174)</b>

**7. Called-up share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called-up and fully-paid</b>		
100 Ordinary shares of £ 1.00 each	100	100

**8. Related party transactions**

Where possible, the company has taken advantage of the exemption conferred by FRS 102 section 33.1A from the requirement to disclose transactions with other wholly owned group undertakings.

**9. Share based payments**

Options have been granted over 50,400 Ordinary shares of £0.0001 to eleven employees of the company. The options are only to be exercised in the event of a sale or listing of the company.

In the year, Options were granted over 6,200 Ordinary shares of £0.0001. The options have an exercise price of £7.6794 and are only to be exercised in the event of a sale or listing of the company.



**ELEVEN THERAPEUTICS (UK) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2022**

**10. Ultimate controlling party**

Parent Company:

Eleven Therapeutics Ltd

The immediate and ultimate parent undertaking is Eleven Therapeutics Ltd, a company incorporated and registered in Israel.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.