# Annual Report

Year Ended 30 June 2024

**Chimeric Therapeutics Limited**

ACN 638 835 828

**ASX: CHM**

# *Chimeric Therapeutics Limited*

*ABN 68 638 835 828*

# *Annual Report - 30 June 2024*

**Chimeric Therapeutics Limited**
**Corporate directory**

| | |
|---|---|
| **Directors** | Mr Paul Hopper<br>*Executive Chairman*<br><br>Dr Lesley Russell<br>*Non-Executive Director*<br><br>Mr Phillip Hains (appointed 12 July 2023)<br>*Executive Director*<br><br>Mr Eric Sullivan (appointed 30 August 2023)<br>*Non-Executive Director*<br><br>Ms Jennifer Chow (resigned 24 May 2024)<br>*Managing Director and CEO*<br><br>Ms Cindy Elkins (resigned 30 August 2023)<br>*Non-Executive Director*<br><br>Dr George Matcham (resigned 3 August 2023)<br>*Non-Executive Director*<br><br>Ms Leslie Chong (resigned 12 July 2023)<br>*Non-Executive Director* |
| **Secretaries** | Mr Phillip Hains<br><br>Mr Nathan Jong |
| **Principal registered office in Australia** | Level 3, 62 Lygon Street<br>Carlton VIC 3053<br>Australia<br>Telephone: +61 (0)3 9824 5254<br>Facsimile: +61 (0)3 9822 7735 |
| **Share register** | Boardroom Pty Limited<br>Level 8, 210 George Street<br>Sydney NSW 2000<br>1300 737 760 |
| **Auditor** | Grant Thornton Audit Pty Ltd<br>Collins Square<br>Tower 5, 727 Collins Street<br>Melbourne VIC 3008<br>Telephone: +61 (0)3 8320 2222 |
| **Solicitors** | McCullough Robertson<br>Level 11, Central Plaza Two<br>66 Eagle Street<br>Brisbane QLD 4000<br>Telephone: +61 (0)7 3233 8888 |
| **Bankers** | National Australia Bank<br>330 Collins Street<br>Melbourne VIC 3000 |
| **Stock exchange listings** | Chimeric Therapeutics Limited shares are listed on the Australian Securities Exchange (ASX: CHM) |
| **Website** | www.chimerictherapeutics.com |

# Chairman's letter

# Executive Chairman's Letter

Dear Fellow Shareholders,

Financial year 2024 has been a period of significant transition and advancement for the company, marked by some solid achievements and strategic shifts. I am pleased share the progress we have made and extend our thanks to shareholders for your support throughout this period.

We have navigated through substantial changes, including key leadership transitions and strategic shifts, while remaining steadfast in our commitment to advancing our innovative cell therapy portfolio.

Our clinical development programs have continued to forge ahead, driven by our dedication to addressing unmet medical needs through cutting-edge therapies.

A major milestone for us this year, which has gathered further momentum subsequent to the end of the period, was the activation of our Phase 1/2 multi-centre clinical trial for our CDH17 CAR T cell therapy. This trial represents a significant step forward in our mission to develop novel treatments for advanced gastrointestinal (GI) cancers. The first patient was dosed at Sarah Cannon Cancer Centre in Nashville, Tennessee, a site renowned for its expertise in first-in-human trials and complex cell and gene therapies.

The trial, conducted under a US IND, is structured to first determine a recommended Phase 2 dose of CHM CDH17 and subsequently evaluate its safety and objective response rate in patients with advanced colorectal cancer, gastric cancer, and intestinal neuroendocrine tumours. The FDA's clearance of our IND application was a crucial endorsement of our efforts and a testament to the promising preclinical results achieved.

Our progress with CHM CLTX has been encouraging. The preliminary results from our Phase 1A clinical trial, presented in October, were particularly promising. Our Chlorotoxin CAR T cell therapy for patients with recurrent or progressive Glioblastoma (GBM), demonstrated a 55% Disease Control Rate (DCR), significantly surpassing historical response rates for 2nd line treatment. This is coupled with an approximate 10-month survival benefit for patients achieving disease control, which is notably higher than the expected median survival of about 7 months.

Following these results, we initiated the Phase 1B clinical trial of CHM CLTX in November, with the first patient dosed at the Sarah Cannon Cancer Centre in Texas. This trial will help confirm the recommended Phase 2 dose and administration schedule, based on the promising data from Phase 1A.

Our efforts in NK cell therapy have also advanced significantly with our partnership with MD Anderson Cancer Centre, the largest oncology hospital in the world. The ADVENT-AML Phase 1B clinical trial, evaluating CHM CORE-NK in combination with Azacitidine and Venetoclax

(aza/ven) for Acute Myeloid Leukemia (AML), has commenced. The initial cohort of patients received CORE-NK at Dose Level 1, with no dose-limiting toxicities reported. The trial has now progressed to the next cohort, with additional patients being treated at Dose Level 2. This trial represents a key part of our strategy to bring innovative treatments to patients with relapsed or refractory AML and those newly diagnosed who are not candidates for intensive chemotherapy or stem cell transplant.

In addition to our progress with CHM CORE-NK, we have achieved positive in vitro results for our next-generation chlorotoxin (CLTX) CAR NK cell therapy program. These results underscore the potential of CHM CLTX to address solid tumours with high unmet medical needs, and we are excited to advance this program further.

We've continued to secure these technologies with strong intellectual property protections crucial to our strategy. During financial year 2024 the US Patent & Trademark Office allowed a patent for our CORE-NK technology, which is expected to provide protection until 2039. Additionally, we have received a Notice of Allowance from the Japan Patent Office for our CLTX CAR technology, further strengthening our global patent portfolio.

The past year has also been marked by important personnel changes. We welcomed Dr Rebecca McQualter as our new Chief Operating Officer in May. Dr McQualter brings a wealth of experience from leading pharmaceutical companies, a doctorate in cell therapy, and will be instrumental in driving our operational strategy forward. Her efforts in the several months since commencing in the role have been outstanding, both in refocusing our operational and clinical strategy as well as engaging with a large number of stakeholders across both industry and finance, locally and abroad.

Our Board of Directors has seen several changes, with Mr Eric Sullivan joining as a Non-Executive Director. His expertise in finance and operations within the biotechnology sector will be invaluable as we continue to evolve the company. The Company's Company Secretary Mr Phillip Hains has also been appointed to fill a casual vacancy on the board, and he has been particularly active in supporting the recent period of transition.

The support of shareholders has been crucial in enabling us to advance our clinical programs and expand our capabilities. This includes the entitlement offer that raised approximately $7.66 million across late 2023 and early 2024. We also secured a research and development tax refund of $7.36 million from the Australian Government and a $4.4m cash payment in recognition of CHM's role in the partnership between Imugene Limited and Precision Biosciences Inc.

As we look forward, we are optimistic about the opportunities that lie ahead. Our commitment to advancing our clinical programs, coupled with a rejuvenated board and management team, positions us well for positive outcomes and in time, increased shareholder value. We remain dedicated to our mission of developing transformative therapies that can make a meaningful difference in the lives of patients.

In closing, I want to express my thanks to our shareholders, partners, and the entire Chimeric Therapeutics team. Your support and belief in our vision are what drive us forward, and together we will continue to make strides in the fight against cancer.

Sincerely,

Paul Hopper
Executive Chairman
Chimeric Therapeutics

# Review of operations and activities

# Review of Operations and Activities

*Year ended: 30 June 2024*

Chimeric Therapeutics Limited is pleased to announce its financial results for the year ended 30 June 2024.

## FINANCIAL REVIEW

The group reported a loss for the year ended 30 June 2024 of $12,529,849 (30 June 2023: $25,916,890). The decreased loss relates to the scale-down of headcount, a reduction of general and administration expenses and reprioritisation of projects. Additionally, the group received a one-off payment from an introduction fee which assisted in decreasing the loss for the year.

At 30 June 2024, the group's net assets were $2,470,068 (30 June 2023: 5,660,716) with cash reserves of $3,053,001 (30 June 2023: $2,362,654).

## CLINICAL DEVELOPMENT UPDATES

### *CHM CDH17 CAR T*

In May the Company activated its Phase 1/2 multi-centre clinical trial for its CHM CDH17 CAR T cell therapy. Since the end of the reporting period enrolment has opened and the first patient dosed at Sarah Cannon Cancer centre Oncology Partners in Nashville, Tennessee, known for its expertise in first-in-human trials, new cancer treatments, and complex cell and gene therapies.

This first-in-human clinical trial targets patients with advanced gastrointestinal (GI) cancers. The trial is being conducted under a US IND (NCT06055439) and is structured in two stages. The first stage aims to determine a recommended Phase 2 dose of CHM CDH17, while the second stage will evaluate its safety and objective response rate in patients with advanced colorectal cancer, gastric cancer, and intestinal neuroendocrine tumours.

The US Food and Drug Administration (FDA) cleared the Investigational New Drug (IND) application for CHM CDH17 CAR T in October 2023.

CHM CDH17 CAR T, developed by leading immunotherapy scientist Dr Xianxin Hua and his team at the University of Pennsylvania, has shown promising preclinical results, eradicating established tumours without toxicity to normal tissues.

## *CHM CLTX*

*Promising preliminary results from phase 1A clinical trial*

In October, Chimeric shared promising preliminary results from its Phase 1A clinical trial of CHM CLTX, Chimeric's Chlorotoxin CAR T cell therapy for patients with recurrent or progressive Glioblastoma (GBM), an aggressive brain cancer.

Patients were heavily pre-treated, with over 50% receiving CHM 1101 as 4th or 5th line therapy. The data showed a 55% Disease Control Rate (DCR), a notable improvement compared to historical DCRs of 20% to 37% for 2nd line treatment. The trial also reported an approximate 10-month survival benefit for patients achieving disease control, with two patients surpassing 14 months. This was particularly encouraging compared to the expected median survival of about 7 months for 2nd line treatment.

The safety profile was considered acceptable, with manageable adverse effects, significant given the poor prognosis and limited treatment options for recurrent GBM.

*First patient dosed in phase 1B clinical trial*

In November, Chimeric announced that the first patient had been dosed in its Phase 1B clinical trial of CHM CLTX for recurrent or progressive GBM at the Sarah Cannon Transplant & Cellular Therapy Program in Texas. The patient received CHM CLTX as a 2nd line therapy.

The Phase 1B trial (NCT04214392) is a two-part trial. Part 1 will enrol 3-6 participants at 440 x $10^6$ CHM 1101 cells, the highest dose tested in the Phase 1A trial at City of Hope. Based on the safety and efficacy from Phase 1A, Chimeric will advance to Part 2, an expansion cohort to confirm the recommended Phase 2 dose and administration schedule, enrolling 12-26 additional patients.

## *CHM CORE-NK*

During the year the first patients were treated in the ADVENT-AML Phase 1B clinical trial, focusing on evaluating Chimeric's CHM CORE-NK cell therapy in conjunction with Azacitidine and Venetoclax (aza/ven) for treatment of Acute Myeloid Leukemia (AML). This trial is an investigator initiated trial taking place at The University of Texas MD Anderson Cancer Center.

In this initial cohort, three subjects with relapsed or refractory AML received CHM CORE-NK at Dose Level 1, alongside standard-of-care aza/ven. No dose-limiting toxicities (DLTs) were reported during the 28-day evaluation period.

Following a thorough review of the data from these first three patients, the safety monitoring committee has authorised the trial to proceed to the next cohort. This next phase will involve three subjects with relapsed or refractory AML receiving CHM CORE-NK at Dose Level 2 in combination with aza/ven. Subsequently, the study plans to enrol up to 20

subjects with newly diagnosed AML who are not eligible for intensive chemotherapy or allogeneic stem cell transplant.

Prior to the trial's commencement, Chimeric announced that CHM CORE-NK cells completed manufacturing and release testing and were provided to MD Anderson to support the ADVENT-AML Phase 1B clinical trial. The CHM 0201 NK cells were manufactured at the Cellular Therapy Integrated Services Laboratory at Case Western Reserve University where the CHM CORE-NK cells were developed.

Additionally, after a temporary disruption due to site-related resourcing constraints, the investigator-sponsored Phase 1B study of CHM CORE-NK plus vactosertib re-opened for enrolment.

*Positive in vitro data for CLTX CAR NK cell therapy program*

In November, the Company announced positive in vitro data for its next generation chlorotoxin (CLTX) chimeric antigen receptor (CAR) NK cell therapy program. Preclinical studies demonstrated up to a 300% increase in cell killing capability compared to first-generation NK cells in models of human ovarian and pancreatic cancers. These results highlight the potential to expand the application of CHM CLTX to therapies beyond glioblastoma to address solid tumours with high unmet medical needs.

Based on the success of these studies, Chimeric has advanced the program to the next stage of preclinical development using Chimeric's armoured NK cell platform, further enhancing cell potency and resistance against the immunosuppressive solid tumor microenvironment.

*Positive in vitro data for armoured NK cell platform*

In August the Company announced positive in vitro data for its next generation armoured natural killer (NK) cell platform. The platform builds on the foundation of the CHM CORE-NK program, which has previously demonstrated safety and early signs of clinical activity in Acute Myeloid Leukemia (AML) and Colorectal Cancer (CRC) patients.

When evaluated in in vitro models of human AML and CRC, CHM CORE-NK demonstrated significant enhancement of TGFβ resistance and potency compared to first generation cells.

## *PATENT PROTECTIONS*

*US Patent Allowed for CHM CORE-NK Platform Technology*

The US Patent & Trademark Office has allowed a patent for its CORE-NK technology, including the various clinical-stage and preclinical stage assets under the platform.

The patent, titled "Compositions for Expanding Natural Killer Cells," is anticipated to provide protection until 2039. Chimeric holds an exclusive worldwide license for this patent, applicable to oncology, immune disorders, and infectious diseases. This patent allowance in the United States, the largest global market for biopharmaceuticals, is seen as a foundational element of Chimeric's intellectual property portfolio for its allogeneic NK cell therapy pipeline.

*Patent Allowance for Chlorotoxin in Japan*

The Japan Patent Office issued a Notice of Allowance for application JP2022007016A, which covers certain applications of chimeric antigen receptor (CAR) technology using chlorotoxin (CLTX), including Chimeric's clinical-stage CAR T asset CHM 1101 and preclinical stage CAR NK asset CHM 1301.

## *CORPORATE*

*Dr Rebecca McQualter appointed COO*

Chimeric Therapeutics announced the appointment of Dr Rebecca McQualter as Chief Operating Officer (COO) during May.

In her career, Dr McQualter has demonstrated significant expertise in developing commercial partnerships and expanding networks with stakeholders across the healthcare and pharmaceutical landscape.

She brings a wealth of experience from her senior roles in global pharmaceutical giants including Novartis, Amgen, and GlaxoSmithKline, and a fitting educational background with a PhD in Cell Therapy and Regenerative Medicine from Monash University.

*Board changes*

Mr Eric Sullivan joined Chimeric's Board as a Non-Executive Director during the period. Mr Sullivan is a senior finance and operations leader with a focus on private-to-public biotechnology company building, strategy, fundraising and financial planning. He brings with him an impressive background in the
biotechnology sector, having served in senior finance and operations leadership roles across a number of high-growth public biotech companies.

Mr Sullivan replaced the outgoing Ms Cindy Elkins, who stepped down from the Board after serving during the formative years of Chimeric.

Ms Leslie Chong resigned from her position as Non-Executive Director to focus on her duties as Chief Executive Officer of Imugene Limited. Leslie served on the Chimeric Board since August 2020.

Following her resignation, the Board appointed Mr Phillip Hains to fill a casual vacancy. Later, Mr George Matcham resigned as a Non-Executive Director, having served since July 2021.

*Resignation of CEO and Managing Director*

Ms Jennifer Chow gave notice of her resignation as Chief Executive Officer and Managing Director of the Company in May. During her tenure since late 2020, Ms Chow built out the Company's unique portfolio of novel cell therapy assets, advanced the pipeline from early-stage development to the clinic and managed the Company's operations.

## *FUNDRAISING ACTIVITIES*

In August 2023, Chimeric received a $4.4 million cash payment from Imugene Limited as an introduction fee related to the research and development of the azer-cel CAR T technology in partnership with Precision Biosciences, Inc.

In October 2023, Chimeric launched an entitlement offer aiming to raise approximately $10 million. The offer allowed eligible shareholders to subSarah Cannon Cancer centrebe for two new shares for every three they owned at an issue price of $0.028 per share. This resulted in valid applications for 159,399,542 new shares, raising about $4.5 million.

In January, Chimeric raised an additional $3.2 million through a placement of the shortfall from the non-renounceable entitlement offer, at the same price per share ($0.028). This brought the total raised from the entitlement offer to approximately $7.66 million before costs.

In January 2024, the Company received a research and development (R&D) tax refund of A$7.36 million under the Australian Government's R&D tax incentive. This refund recognises Chimeric's R&D activities during the 2023 financial year and provides essential funding for the continued development of its cell therapy portfolio. The R&D tax incentive program offers a refundable tax offset of up to 43.5% for eligible activities.

Chimeric also secured an additional $1 million investment from Lind Global Fund II, LP, managed by The Lind Partners. This investment was part of a placement agreement that included an advance payment, a commitment fee, and the issuance of further options.

For and on behalf of the Group,

Dr Rebecca McQualter
Chief Operating Officer

# Material Risk Report

# Material Risk Report

This forms part of the review of operations and activities which forms part of the directors report.

***Additional Information with regards to Risk Management and Key Risks***

There are various internal and external risks that may have a material impact on the Group's future financial performance. The Group has processes in place to identify materials risks and to manage these effectively.

The Board takes a proactive approach to risk management. The Board has oversight of the Audit & Risk Committee which is responsible for ensuring that risks, and opportunities are identified in a timely manner and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

The Audit & Risk Committee meets periodically to review the risk register and receive updates on and provides feedback to Management on the identification of risks and the progress/effectiveness of risk mitigation strategies.

Material risks that could adversely impact the Group's financial prospects are outlined below. These risks do not represent an exhaustive list of the risks Chimeric is exposed to, nor are they in order of significance.

**Clinical Trial Risk**

The ability of the Group to commercialise its intellectual property is dependent on receiving approvals to conduct future clinical trials. Given the nature of the Group's activities, there is a risk that the clinical trials may not be successful. If the Group does not receive approval for clinical trials, or the clinical trials are not successful, this will impact on the Group's ability to commercialise its intellectual property.

The Group mitigates this risk by having highly qualified and skilled personnel and consultants where required conducting clinical trials and liaising with regulatory and licensing authorities.

**Dependence upon key personnel**

Chimeric depends on the talent and experience of its personnel as its primary asset. There may be a negative impact on Chimeric if any of its key personnel leave. It may be difficult to replace them, or to do so in a timely manner or at a comparable expense.

The Group mitigates this risk by ensuring key personnel are remunerated commensurate to the value they provide Chimeric and also invested in the success of Chimeric through the issuance of short and long term incentives.

**Competition**

The Biotechnology and Pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. A number of companies, both in Australia and abroad, may be pursing the development of products that target the same markets that Chimeric is targeting. The Company's products may compete with existing alternative treatments that are already available to customers. In addition, a number of companies, both in Australia and abroad, may be pursuing the development of products that target the same conditions that the Group is targeting.

The Group mitigates this risk by completing extensive assessments periodically of their competitors and their progress to ensure that Chimeric has a competitive advantage where possible.

**Requirements to raise additional funds**

The Group may be required to raise additional equity or debt capital in the future. As there is no assurance a raise will be successful when required, the group may need to reprioritise its operations.

The Group mitigates this risk by closely monitoring their cash and cash equivalents and engaging in investment/funding opportunities as required.

**Risk of delay and continuity of operations**

Chimeric may experience delay in achieving a number of critical milestones, including securing commercial partners, completion of clinical trials, obtaining regulatory approvals, manufacturing, product launch and sales. Any material delays may impact adversely upon the group including the timing of any revenues under milestone or sales payments.

The Group mitigates this risk by closely managing timelines of critical milestones and actively engages with potential commercial partners and regulators. In addition, the Group is ensuring that all FDA and regulatory advice is carefully reviewed and implemented accordingly.

**Manufacturing**

Manufacturing processes may result in product batches not meeting minimum specifications, raw material components not being sourced to specification. The manufacturing process may encounter process issues not previously identified and controlled, and there may be non-controllable disruptions to the operations of the products, contract manufacturers. These factors may lead to delay or non-supply of product and/or adverse regulatory outcomes.

The Group mitigates this risk by working very closely with its suppliers to ensure scheduling fits forecast requirements and that the manufacturing processes are actively managed. New suppliers are subject to due diligence processes and key relationships are developed with regulatory agencies to support the Group in the event of supply chain disruption.

**Taxation**

Changes to the rate of taxes imposed on the Group (including overseas jurisdictions in which Chimeric operates now or in the future) or tax legislation generally may affect Chimeric and its shareholders. In addition, an interpretation of Australian tax laws by the Australian Taxation Office that differs to the Group's interpretation may lead to an increase in the Group's tax liabilities and a reduction in shareholder returns.

Personal tax liabilities are the responsibility of each individual investor. Radiopharm is not responsible either for tax or tax penalties incurred by investors.

**Accounting Standards**

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside the director's and Radiopharm's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in Chimeric's financial statements.

**Litigation**

There is a risk that the Company may in future be the subject of or required to commence litigation. There is, however, no litigation, mediation, conciliation or administrative proceeding taking place, pending or threatened against the Company.

# Director's report

Your directors present their report on the consolidated entity consisting of Chimeric Therapeutics Limited and the entities it controlled (Chimeric Therapeutics (USA) Inc) at the end of, or during, the year ended 30 June 2024. Throughout the report, the consolidated entity is referred to as the group.

**Directors and company secretary**

The following persons held office as directors of Chimeric Therapeutics Limited during the whole of the financial year and up to the date of this report, except where otherwise stated:

Mr Paul Hopper, Executive Chairman
Ms Jennifer Chow, Chief Executive Officer (CEO) and Managing Director (resigned 24 May 2024)
Ms Leslie Chong, Non-Executive Director (resigned 12 July 2023)
Dr Lesley Russell, Non-Executive Director
Ms Cindy Elkins, Non-Executive Director (resigned 30 August 2023)
Dr George Matcham, Non-Executive Director (resigned 3 August 2023)
Mr Phillip Hains, Executive Director (appointed 12 July 2023)
Mr Eric Sullivan, Non-Executive Director (appointed 30 August 2023)

The following persons held office as company secretary of Chimeric Therapeutics Limited during the whole of the financial year and up to the date of this report, except where otherwise stated:

Mr Phillip Hains
Mr Nathan Jong

**Principal activities**

The group is an Australian clinical stage cell therapy company focused on developing and commercialising a range of cell therapies in oncology.

Lead products under development by the group are T Cell Derived Autologous Therapies as well as Natural Killer (NK) Cell Derived Allogenic Therapies. T Cell Derived Autologous therapy works by engineering the Tcells with the exact co-ordinates to attack and kill cancer. NK Cell Derived Allogenic Therapies from health donors, can be manufactured on a large scale and once administered, kill cancer.

The group is maintaining and strengthening its already strong international intellectual property position as a key area of focus in maintaining the competitive advantage of the cell therapy products.

**Dividends - Chimeric Therapeutics Limited**

No dividends were declared or paid to members for the year ended 30 June 2024 (2023: none). The directors do not recommend that a dividend be paid in respect of the financial year.

**Review of operations**

Information on the operations and financial position of the group and its business strategies and prospects is set out in the review of operations and activities which forms part of this directors' report on pages 6 to 15 of this Annual Report.

**Significant changes in the state of affairs**

On 29 December 2023. Chimeric Therapeutics Limited announced that they had amended the share purchase agreement with Lind Global Fund II, LP to provide additional funding of $1.0 million.

On 1 May 2024, Dr Rebecca McQualter was appointed as the Chief Operating Officer of the group.

On 24 May 2024, Ms Jennifer Chow resigned from her position as the Chief Executive Officer and Managing Director of the group.

**Significant changes in the state of affairs (continued)**

In the opinion on the directors, there were no other significant changes in the state of affairs of the group that occurred during the year.

**Events since the end of the financial year**

On 31 July 2024, Eliot Bourk resigned as the Chief Business Officer of the group.

On 21 October 2024, the group announced that they had raised approximately $5 million from the issue of 625 million shares at $0.008 per share. Under the placement 69.99 million shares will be issued under the group's placement capacity with the remainder subject to shareholder approval. In addition to the shares issues, each investor will receive a short term option that has an exercise price of $0.008 and expires 31 December 2025.

No other matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group or economic entity in subsequent financial years.

**Likely developments and expected results of operations**

The group aims to create value for shareholders through researching, developing and commercialising NK Cell Derived Allogenic Therapies and T Cell Derived Autologous Therapies. These development programs are not expected to generate revenues in the short-term. Long-term, and pending a successful development outcome, these development programs could increase shareholder value by many multiples.

More information on these developments is included in the review of operations and activities on pages 6 to 15 of this Annual Report, which forms part of this directors' report.

**Environmental regulation**

The group is not affected by any significant environmental regulation in respect of its operations.

**Information on directors**

The following information is current as at the date of this report.

| **Mr Paul Hopper** *Executive Chairman* | |
|---|---|
| Experience and expertise | Mr Paul Hopper is founder and Executive Chairman since February 2021. Mr. Hopper is also currently Executive Chairman at Imugene Limited (ASX: IMU), which he founded in October 2012 and Radiopharm Theranostics Limited (ASX: RAD), which he founded in 2021. In addition, Mr. Hopper was also previously Chairman at Viralytics Limited (ASX: VLA) until it was acquired by Merck in 2018. He was previously Executive Chairman of Arovella Therapeutics (ASX: PTX) between May 2019 and June 2022, as well as a director of Prescient Therapeutics Limited (ASX: PTX) from May 2014 to January 2020. Mr. Hopper brings 20 years' experience in the management and funding of biotechnology and healthcare companies in Australia and the United States |
| Date of appointment | 2 February 2020 |
| Other current directorships | Imugene Limited (ASX: IMU), since 31 October 2012<br>Radiopharm Theranostics Limited (ASX: RAD) since 11 February 2021 |
| Former directorships in last 3 years | Scopus BioPharma Inc (NASDAQ: SCPS), until 18 May 2022<br>Arovella Therapeutics Limited (ASX: ALA) (formally SUDA Pharmaceuticals Ltd), until 30 June 2022 |
| Special responsibilities | Executive Chairman |

| **Dr Lesley Russell** *Non-Executive Director* | |
|---|---|
| Experience and expertise | Dr Lesley Russell is a haematologist/oncologist and has over 25 years' experience and leadership in the international pharmaceutical field as a chief medical officer. She has undertaken clinical development in a number of therapeutic areas including haematology/oncology has had multiple new drug approvals with both FDA and European Medicines Agency (EMA). Dr Russell has extensive experience as a director of NASDAQ listed pharmaceutical companies. She is a member of the Royal College of Physicians UK. |
| Date of appointment | 28 August 2020 |
| Other current directorships | Enanta Pharmaceuticals (NASDAQ: ENTA), since 22 November 2016<br>Imugene Limited (ASX: IMU), since 23 April 2019 |
| Former directorships in last 3 years | Scopus BioPharma Inc (NASDAQ: SCPS), until March 2021 |
| Special responsibilities | Member of the audit and risk committee<br>Chair of the remuneration and nomination committee |

**Information on directors (continued)**

| **Mr Phillip Hains** *Executive Director* | |
|---|---|
| Experience and expertise | Mr Phillip Hains has been our Chief Financial Officer and Joint Company Secretary since 2020. Mr. Hains is a Chartered Accountant with over 30 years of extensive experience in roles with a portfolio of ASX and NASDAQ listed companies. He holds a Master of Business Administration from RMIT University and a Public Practice Certificate from the Chartered Accountants Australia and New Zealand. |
| Date of appointment | 12 July 2023 |
| Other current directorships | Hexima Limited (ASX: HXL), since September 2023<br>Radiopharm Theranostics Limited (ASX: RAD), since March 2024 |
| Former directorships in last 3 years | Nil |
| Special responsibilities | Chief Financial Officer and Joint Company Secretary |

| **Mr Eric Sullivan** *Non-Executive Director* | |
|---|---|
| Experience and expertise | Mr Sullivan is a senior finance and operations leader with a focus on private-to-public biotechnology company building, strategy, fundraising and financial planning. He brings with him an impressive background in the biotechnology sector, having served in senior finance and operations leadership roles across a number of high-growth public biotech companies, including bluebird bio, Merrimack Pharmaceuticals and TCR2 Therapeutics. Additionally, his experience with blue-chip private companies, such as Oncorus, Gemini Therapeutics, and Triplet Therapeutics, further underpins his expertise in financial planning, fundraising, board management and investor relations. Since September 2023 Mr Sullivan has been the CFO of Convergent Therapeutics LLC. |
| Date of appointment | 30 August 2023 |
| Other current directorships | None |
| Former directorships in last 3 years | None |
| Special responsibilities | Chair of Audit and Risk Committee<br>Member of Remuneration and Nomination Committee |

**Information on directors (continued)**

| **Ms Jennifer Chow** *Chief Executive Officer (CEO) and Managing Director* (resigned 24 May 2024) | |
|---|---|
| Experience and expertise | Ms. Chow joined the group in November 2020 from the leading cell therapy company, Kite (a Gilead Company) where she was Vice President/Head of Global Marketing, Analytics and Commercial Operations. Prior to Kite, Ms. Chow was the Global Cell Therapy Commercial Lead at Celgene Corporation defining the global commercial strategy and operating model for Celgene cell therapies. Ms Chow has worked on 4 of the 6 FDA approved CAR T cell therapies and has over 20 year's experience in the biotech and pharmaceutical field. |
| Date of appointment | 30 August 2021 |
| Other current directorships | None |
| Former directorships in last 3 years | None |
| Special responsibilities | Chief Executive Officer |

| **Ms Leslie Chong** *Non-Executive Director* (resigned 12 July 2023) | |
|---|---|
| Experience and expertise | Ms Chong has over 24 years' experience in leading clinical and department development in oncology. Currently Ms Chong is the CEO and Managing Director of a clinical stage immuno-oncology company called Imugene Limited (ASX: IMU). Previously Ms Chong worked as a Senior Clinical Program Lead at Genentech, a member of the Roche family, in the head office in San Francisco. |
| Date of appointment | 28 August 2020 |
| Other current directorships | Imugene Limited (ASX: IMU), since 28 March 2018 |
| Former directorships in last 3 years | None |
| Special responsibilities | Chair of the audit and risk committee<br>Member of the remuneration and nomination committee |

**Information on directors (continued)**

| **Ms Cindy Elkins** *Non-Executive Director* (resigned 30 August 2023) | |
|---|---|
| Experience and expertise | Ms Elkins has over 30 years' experience in biotechnology and high tech in the US at Ariba, Genentech (member of the Roche group), Juno Therapeutics. She created the Global Cell Therapy Patient Experience including all patient operations and digital platform while at Juno/Celgene/BMS. Ms Elkins' sector experience includes autologous cell therapy and biooncology. She also has extensive experience in large acquisitions/integrations and utilizing technology to create large digitally connected communities. |
| Date of appointment | 1 February 2021 |
| Other current directorships | Co-Chair of The Foundation for Art & Healing, since July 2019<br>Board Trustee, Vitalant, since 2022<br>Board Director, Foundation for the Advancement of Clinical Transcranial Magnetic Stimulation (FACTMS), since 2023 |
| Former directorships in last 3 years | None |
| Special responsibilities | Member of the audit and risk committee<br>Member of the remuneration and nomination committee |

| **Dr George Matcham** *Non-Executive Director* (resigned 3 August 2023) | |
|---|---|
| Experience and expertise | Dr George Matcham has 30 years' experience in cell therapy and biologics development at Celgene. Dr Matcham had extensive involvement in biotech collaborations in biotherapeutics and cell therapy, ranging from technical oversight to board membership. |
| Date of appointment | 5 July 2021 |
| Other current directorships | Instil Bio (NASDAQ: TIL), since September 2018 |
| Former directorships in last 3 years | None |
| Special responsibilities | Member of the audit and risk committee<br>Member of the remuneration and nomination committee |

**Company secretary**

The joint group secretaries are Mr Phillip Hains and Mr Nathan Jong.

Mr Nathan Jong is a Chartered Accountant and Fellow of the Governance Institute of Australia with over 15 years' of experience in providing finance and corporate compliance advisory services to a range of businesses including multinational ASX and NASDAQ listed companies. Mr Jong is also part of Acclime Australia.

**Meetings of directors**

The numbers of meetings of the group's board of directors and of each board committee held during the year ended 30 June 2024, and the numbers of meetings attended by each director were:

| | Full meetings of directors | | Meetings of committees | | | |
|---|---|---|---|---|---|---|
| | | | Audit | | Remuneration | |
| | A | B | A | B | A | B |
| Mr Paul Hopper | 9 | 9 | - | - | - | - |
| Ms Jennifer Chow | 7 | 7 | - | - | - | - |
| Dr Lesley Russell | 9 | 9 | 5 | 5 | 1 | 1 |
| Mr Phillip Hains | 8 | 8 | - | - | - | - |
| Mr Eric Sullivan | 7 | 7 | 2 | 2 | 1 | 1 |
| Ms Leslie Chong | - | - | - | - | - | - |
| Ms Cindy Elkins | 2 | 2 | 1 | 1 | - | - |
| Mr George Matcham | 1 | 1 | 1 | 1 | - | - |

A= Number of meetings attended
B= Number of meetings held during the time the director held office or was a member of the Audit & Risk Committee during the year.

**Remuneration report (audited)**

The directors present the Chimeric Therapeutics Limited 2024 remuneration report, outlining key aspects of our remuneration policy and framework, and remuneration awarded this year.

The report is structured as follows:

(a) Key management personnel (KMP) covered in this report
(b) Remuneration policy and link to performance
(c) Elements of remuneration
(d) Link between remuneration and performance
(e) Remuneration expenses
(f) Contractual arrangements with executive KMPs
(g) Non-executive director arrangements
(h) Additional statutory information

*(a) Key management personnel covered in this report*

*Non-executive and executive directors (see pages 19 to 22 for details about each director)*

Mr Paul Hopper, Executive Chairman
Ms Jennifer Chow, Chief Executive Officer (CEO) and Managing Director (resigned 24 May 2024)
Ms Leslie Chong, Non-Executive Director (resigned 12 July 2023)
Dr Lesley Russell, Non-Executive Director
Ms Cindy Elkins, Non-Executive Director (resigned 30 August 2023)
Dr George Matcham, Non-Executive Director (resigned 3 August 2023)
Mr Phillip Hains, Executive Director (appointed 12 July 2023)
Mr Eric Sullivan, Non-Executive Director (appointed 30 August 2023)

*Other key management personnel*

Dr Rebecca McQualter, Chief Operating Officer (COO), (commenced 1 May 2024)
Dr Eliot Bourk, Chief Business Officer (CBO), (resigned 31 July 2024)
Dr Jason Litten, Chief Medical Officer (CMO)

*(b) Remuneration policy and link to performance*

Our remuneration and nomination committee is made up of independent non-executive directors. The committee reviews and determines our remuneration policy and structure annually to ensure it remains aligned to business needs, and meets our remuneration principles. In particular, the board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the group to attract and retain key talent
- aligned to the group's strategic and business objectives and the creation of shareholder value
- transparent and easily understood, and
- acceptable to shareholders.

**Remuneration report (audited) (continued)**

*(b) Remuneration policy and link to performance (continued)*

| Element | Purpose | Performance metrics | Potential value |
|---|---|---|---|
| Fixed remuneration (FR) | Provide competitive market salary including superannuation and non-monetary benefits | Nil | Positioned at the market rate |
| Short term incentives (STI) | Reward for in-year performance and retention | Company and individual performance goals determined by the remuneration committee. Key Performance Indicator (KPIs) may include increasing shareholder value, enhancing the group's pipeline and driving the development of the group's assets. Each individual is assessed by the remuneration committee and allocated a % achievement for their bonus. | COO: 40% of FR<br>CBO: 45% of FR<br>CMO: 45% of FR |
| Long term incentives (LTI) | Alignment to long-term shareholder value | Company and individual performance goals determined by the remuneration committee. KPIs may include increasing shareholder value, enhancing the group's pipeline and driving the development of the group's assets. Each individual is assessed by the remuneration committee and allocated a % achievement for their bonus. | COO: 20,000,000 unlisted 5-year options at $0.0435 exercise price<br><br>CBO: 925,437 unlisted 5-year options at $0.290 exercise price<br><br>CBO: 2,000,000 unlisted 5-year options at $0.230 exercise price<br><br>CBO: 3,771,963 unlisted 5-year options at $0.092 exercise price<br><br>CBO: 9,152,496 unlisted 5-year options at $0.038 exercise price<br><br>CBO: 2,456,267 performance rights at an issue price of $0.038<br><br>CMO: 2,000,000 unlisted 5-year options at $0.160 exercise price<br><br>CMO: 9,565,666 unlisted 5-year options at $0.038 exercise price<br><br>CMO: 2,567,149 performance rights at an issue price of $0.038 |

**Remuneration report (audited) (continued)**

*(b) Remuneration policy and link to performance (continued)*

*Assessing performance*

The remuneration and nomination committee is responsible for assessing performance against KPIs and determining the STI and LTI to be paid. To assist in this assessment, the committee receives data from independently run surveys.

Performance is monitored on an informal basis throughout the year and a formal evaluation is performed annually.

*Securities trading policy*

Chimeric Therapeutics Limited's securities trading policy applies to all directors and executives, see https://www.chimerictherapeutics.com/corporate-governance/. It only permits the purchase or sale of group securities during certain periods.

*(c) Elements of remuneration*

*Fixed annual remuneration*

Key management personnel may receive their fixed remuneration as cash, or cash with non-monetary benefits such as health insurance and car allowances. FR is reviewed annually, or on promotion. It is benchmarked against market data for comparable roles in companies in a similar industry and with similar market capitalisation. The committee aims to position executives at or near the median, with flexibility to take into account capability, experience, value to the organisation and performance of the individual.

*(i) Short-term incentives*

All executives are entitled to participate in a short-term incentive scheme which provides for executive employees to receive a combination of STI as part of their total remuneration if they achieve certain performance indicators as set by the board. The STI can be paid either by cash, or a combination of cash and the issue of equity in the group, at the determination of the remuneration and nomination committee and board.

The group's COO, CBO, and CMO are entitled to short-term incentives in the form of cash bonus up to 40%, 45%, and 45% of their base salary, respectively, against agreed KPIs. On an annual basis, KPIs are reviewed and agreed in advance of each financial year and include financial (for COO) and non-financial (for COO, CBO and CMO) and individual performance goals. Additional shares or options can be granted at the discretion of the board based on performance.

*(ii) Long-term incentives*

Executives may also be provided with longer-term incentives through the group's 'Omnibus Incentive Plan' (OIP), that was approved by shareholders at the annual general meeting held on 22 November 2021. The aim of the OIP is to allow executives to participate in, and benefit from, the growth of the group as a result of their efforts and to assist in motivating and retaining those key employees over the long-term. Continued service is the condition attached to the vesting of the options. The board at its discretion determines the total number of options granted to each executive.

*(d) Link between remuneration and performance*

*Statutory performance indicators*

We aim to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the group's financial performance since incorporation as required by the *Corporations Act 2001*. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

**Remuneration report (audited) (continued)**

*(d) Link between remuneration and performance (continued)*

*Statutory performance indicators (continued)*

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Loss for the year attributable to owners | 12,529,849 | 25,916,890 | 15,898,400 | 15,113,711 | 64,008 |
| Basic earnings per share (cents) | 1.80 | 5.98 | 4.42 | 8.31 | 6400.80 |
| Share price at year end ($) | 0.02 | 0.04 | 0.09 | 0.29 | 0.10 |

The group's earnings have remained negative since inception due to the nature of the business. Shareholder wealth reflects this speculative and volatile market sector. No dividends have ever been declared by Chimeric Therapeutics Limited. The group continues to focus on the research and development of its intellectual property portfolio with the objective of achieving key development and commercial milestones in order to add further shareholder value.

**Remuneration report (audited) (continued)**

*(e) Remuneration expenses for KMP*

The following table shows details of remuneration expenses of each director or other key management personnel recognised for the year ended 30 June 2024 in accordance of the requirements of the accounting standards.

| **2024** | Short-term benefits | | | | | Post-employment benefits | Long-term benefits | Share-based payments | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cash salary and fees $ | Cash bonus $ | Health-care benefits $ | Annual leave $ | Other $ | 401k $ | Forfeiture payments $ | Performance Rights $ | Options $ | Forfeiture shares $ | Total $ |
| **Non-executive directors** | | | | | | | | | | | |
| Ms Leslie Chong | 5,754 | - | - | - | - | - | - | - | - | - | 5,754 |
| Dr Lesley Russell | 50,000 | - | - | - | - | - | - | - | - | - | 50,000 |
| Ms Cindy Elkins | 8,152 | - | - | - | - | - | - | - | - | - | 8,152 |
| Dr George Matcham | 4,710 | - | - | - | - | - | - | - | - | - | 4,710 |
| Mr Eric Sullivan | 42,029 | - | - | - | - | - | - | - | 26,753 | - | 68,782 |
| **Executive directors** | | | | | | | | | | | |
| Ms Jennifer Chow | 738,893 | 145,305 | 32,228 | - | 693,144 | 3,507 | 46,363 | - | 92,171 | 44,225 | 1,795,836 |
| Mr Paul Hopper | 250,000 | 51,975 | - | - | - | - | - | - | - | - | 301,975 |
| Mr Phillip Hains | - | - | - | - | - | - | - | - | - | - | - |
| **Other KMP** | | | | | | | | | | | |
| Dr Rebecca McQualter | 50,000 | 2,880 | - | 4,281 | - | 5,500 | - | - | 141,199 | - | 203,860 |
| Dr Jason Litten | 707,018 | 157,948 | 131,190 | 27,049 | - | 19,766 | - | 59,491 | 55,924 | - | 1,158,386 |
| Dr Eliot Bourk | 532,164 | 118,886 | 145,036 | - | - | 26,912 | - | 56,922 | 354,037 | - | 1,233,957 |
| **Total KMP compensation** | **2,388,720** | **476,994** | **308,454** | **31,330** | **693,144** | **55,685** | **46,363** | **116,413** | **670,084** | **44,225** | **4,831,412** |

*Notes*

- Benefits relate to the healthcare benefits provided to employees based in the US per their agreements.
- 401k amounts are retirement benefits that are part of the US employees contracts.
- The group has entered agreements to pay KMP a total of US$700,000 in cash and US$700,000 in shares for forfeiture of long-term incentives with their former employment. The expense is cumulative and vests over the service period on the following separate vesting dates, being 31 December 2021, 2022, 2023 and 8 March 2022, 2023. The above amounts include what the group has recognised as payable at 30 June 2024.
- Mr Paul Hopper elected to defer 50% of the April and May 2023 director fees and subsequently 100% of his June 2023 to June 2024 director fees. This amounts to $291,667. Dr Lesley Russell and Mr Eric Sullivan have deferred their directors fees from November 2023 amounting to $62,500
- Cash bonus includes the amount paid or accrued in the year ended 30 June 2024 in relation to FY 2023 performance as follows:
    - Mr Paul Hopper received a $51,975 (65% achievement) performance bonus for FY 2024 (accrued, approved by the board in FY 2025). The bonus was for meeting performance milestones (driving the development of assets and increasing stakeholder value).

**Remuneration report (audited) (continued)**

*(e) Remuneration expenses for KMP (continued)*

- Ms Jennifer Chow received a $145,305 (43% achievement) performance bonus for FY 2024. The bonus was for meeting performance milestones (driving the development of assets and increasing stakeholder value).
- Dr Rebecca McQualter received a $2,880 (15% achievement) performance bonus for FY 2024 (accrued, approved by the board in FY 2025). The bonus was for meeting performance milestones (driving the development of assets and increasing stakeholder value).
- Dr Eliot Bourk received a $118,886 (50% achievement) performance bonus for FY 2024 (accrued, approved by the board in FY 2025). The bonus was for meeting performance milestones (driving the development of assets).
- Dr Jason Litten received a $157,948 (50% achievement) performance bonus for FY 2024 (accrued, approved by the board in FY 2025). The bonus was for meeting performance milestones (driving the development of assets).

**Remuneration report (audited) (continued)**

*(e) Remuneration expenses for KMP (continued)*

The following table shows details of remuneration expenses of each director or other key management personnel recognised for the year ended 30 June 2023.

| **2023** | Short-term benefits | | | | Post-employment benefits | Long-term benefits | Share-based payments | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Cash salary and fees $ | Cash bonus $ | Health-care benefits $ | Annual leave $ | 401k $ | Forfeiture payments $ | Shares $ | Options $ | Forfeiture shares $ | Total $ |
| **Non-executive directors** | | | | | | | | | | |
| Ms Leslie Chong | 50,000 | - | - | - | - | - | - | 23,322 | - | 73,322 |
| Dr Lesley Russell | 50,000 | - | - | - | - | - | - | 23,322 | - | 73,322 |
| Ms Cindy Elkins | 50,000 | - | - | - | - | - | - | 49,011 | - | 99,011 |
| Dr George Matcham | 50,000 | - | - | - | - | - | - | 125,068 | - | 175,068 |
| **Executive directors** | | | | | | | | | | |
| Mr Paul Hopper | 250,000 | - | - | - | - | - | - | - | - | 250,000 |
| Ms Jennifer Chow | 849,416 | 207,391 | 7,612 | 83,915 | 57,051 | 168,220 | 399,187 | 1,090,186 | 170,032 | 3,033,010 |
| **Other KMP** | | | | | | | | | | |
| Dr Jason Litten | 662,776 | 177,715 | 79,504 | 53,951 | 14,873 | - | - | 110,204 | - | 1,099,023 |
| Dr Eliot Bourk | 520,553 | 135,407 | 103,503 | 19,035 | 26,092 | 31,571 | 188,253 | 405,271 | 17,413 | 1,447,098 |
| **Total KMP compensation** | **2,482,745** | **520,513** | **190,619** | **156,901** | **98,016** | **199,791** | **587,440** | **1,826,384** | **187,445** | **6,249,854** |

*Notes*

- Benefits relate to the healthcare benefits provided to employees based in the US per their agreements.
- 401k amounts are retirement benefits that are part of the US employees contracts.
- The group has entered agreements to pay KMP a total of US$700,000 in cash and US$700,000 in shares for forfeiture of long-term incentives with their former employment. The expense is cumulative and vests over the service period on the following separate vesting dates, being 31 December 2021, 2022, 2023 and 8 March 2022, 2023. The above amounts include what the group has recognised as payable at 30 June 2023.
- Cash bonus includes the amount paid or accrued in the year ended 30 June 2023 in relation to FY 2023 performance as follows:
    - Mr Paul Hopper elected not to receive a performance bonus for FY 2023.
    - Ms Jennifer Chow received a $207,391 (50% achievement) performance bonus for FY 2023 (accrued, approved by the board in FY 2024). The bonus was for meeting performance milestones (driving the development of assets and increasing stakeholder value).
    - Dr Eliot Bourk received a $135,407 (57% achievement) performance bonus for FY 2023 (accrued, approved by the board in FY 2024). The bonus was for meeting performance milestones (driving the development of assets).
    - Dr Jason Litten received a $177,715 (59% achievement) performance bonus for FY 2023 (accrued, approved by the board in FY 2024). The bonus was for meeting performance milestones (driving the development of assets).

**Remuneration report (audited) (continued)**

*(f) Contractual arrangements with executive KMPs*

| | |
|---|---|
| **Name:** | Mr Paul Hopper |
| **Position:** | Executive Chairman |
| **Contract duration:** | Unspecified |
| **Notice period:** | 4 months by either party |
| **Fixed remuneration:** | $250,000 per annum |

| | |
|---|---|
| **Name:** | Dr Rebecca McQualter |
| **Position:** | Chief Operating Officer |
| **Contract duration:** | Unspecified |
| **Notice period:** | 6 months by either party |
| **Fixed remuneration:** | A$300,000 per annum, excluding statutory superannuation |

| | |
|---|---|
| **Name:** | Dr Eliot Bourk |
| **Position:** | Chief Business Officer |
| **Contract duration:** | Unspecified |
| **Notice period:** | 6 weeks by either party |
| **Fixed remuneration:** | US$350,000 per annum |

| | |
|---|---|
| **Name:** | Dr Jason Litten |
| **Position:** | Chief Medical Officer |
| **Contract duration:** | Unspecified |
| **Notice period:** | 6 weeks by either party |
| **Fixed remuneration:** | US$465,000 per annum |

Mr Phillip Hains is paid via The CFO Solution HQ Pty Ltd. In July 2020, we entered into an engagement letter with CFO Solution HQ Pty Ltd, which was acquired by Acclime Corporate Services Australia Pty Ltd in 2023 (“Acclime”). Under the terms of the agreement, once the company completed its Initial Public Offering (“IPO”), Acclime agreed to provide 80 days per annum of company secretarial services, CFO and statutory reporting, accounting and financial management, book keeping services and payroll processing. We agreed to pay A$10,000 per month (plus GST) for such services and we agreed to pay fees on a time-spent basis for other services that Acclime is asked to provide. The agreement may be terminated by either party for cause by providing to the other party a 3-month written notice.

*(g) Non-executive director arrangements*

Non-executive directors receive a board fee of $50,000 per annum, inclusive of chairing or participating on board committees. They do not receive performance-based pay or retirement allowances.

Fees are reviewed annually by the board taking into account comparable roles and market data provided by the board’s independent remuneration adviser. The current base fees were reviewed at incorporation.

The maximum annual aggregate non-executive directors' fee pool limit is $500,000 and was approved by shareholders via circular resolution on 22 September 2020.

**Remuneration report (audited) (continued)**

*(h) Additional statutory information*

*Relative proportions of fixed vs variable remuneration expense*

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense on page above:

| Name | Fixed remuneration | | At risk - STI | | At risk - LTI | |
|---|---|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 |
| | **%** | % | **%** | % | **%** | % |
| **Non-executive director** | | | | | | |
| Ms Leslie Chong | **100** | 68 | **-** | - | **-** | 32 |
| Dr Lesley Russell | **100** | 68 | **-** | - | **-** | 32 |
| Ms Cindy Elkins | **100** | 50 | **-** | - | **-** | 50 |
| Dr George Matcham | **100** | 29 | **-** | - | **-** | 71 |
| Mr Eric Sullivan | **61** | - | **-** | - | **39** | - |
| **Executive directors** | | | | | | |
| Mr Paul Hopper | **83** | 100 | **17** | - | **-** | - |
| Ms Jennifer Chow | **84** | 39 | **8** | 20 | **8** | 41 |
| Mr Phillip Hains | **-** | - | **-** | - | **-** | - |
| **Other KMP** | | | | | | |
| Dr Rebecca McQualter | **29** | - | **1** | - | **70** | - |
| Dr Eliot Bourk | **57** | 50 | **10** | 21 | **33** | 29 |
| Dr Jason Litten | **76** | 75 | **14** | 15 | **10** | 10 |

**Remuneration report (audited) (continued)**

*(h) Additional statutory information (continued)*

*Terms and conditions of the share-based payment arrangements*

*Options*

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting year are as follows:

| Holder | Grant date | Vesting and exercise date | Expiry date | Number of Options | Exercise price ($) | Value per option ($) | Vested (%) |
|---|---|---|---|---|---|---|---|
| Dr Lesley Russell | 2020-08-28 | 2021-01-18 | 2025-01-18 | 907,500 | 0.20 | 0.1078 | 100% |
| Dr Lesley Russell | 2020-08-28 | 2022-01-18 | 2025-01-18 | 907,500 | 0.20 | 0.1078 | 100% |
| Dr Lesley Russell | 2020-08-28 | 2023-01-18 | 2025-01-18 | 935,000 | 0.20 | 0.1078 | 100% |
| Ms Jennifer Chow | 2020-11-30 | 2022-01-18 | 2026-01-18 | 2,072,401 | 0.20 | 0.1145 | 100% |
| Ms Jennifer Chow | 2020-11-30 | 2023-01-18 | 2026-01-18 | 2,072,401 | 0.20 | 0.1145 | 100% |
| Ms Jennifer Chow | 2020-11-30 | 2024-01-18 | 2026-01-18 | 2,135,201 | 0.20 | 0.1145 | 100% |
| Dr Eliot Bourk | 2021-03-08 | 2022-03-08 | 2026-03-08 | 231,827 | 0.29 | 0.2056 | 100% |
| Dr Eliot Bourk | 2021-03-08 | 2023-03-08 | 2026-03-08 | 231,827 | 0.29 | 0.2056 | 100% |
| Dr Eliot Bourk | 2021-03-08 | 2024-03-08 | 2026-03-08 | 231,827 | 0.29 | 0.2056 | 100% |
| Ms Jennifer Chow / Dr Eliot Bourk | 2021-08-27 | 2022-08-27 | 2026-08-27 | 747,052 | 0.29 | 0.2411 | 100% |
| Ms Jennifer Chow / Dr Eliot Bourk | 2021-08-27 | 2023-08-27 | 2026-08-27 | 747,052 | 0.29 | 0.2411 | 100% |
| Dr Eliot Bourk | 2021-08-27 | 2024-08-27 | 2026-08-27 | 76,643 | 0.29 | 0.2411 | 0% |
| Ms Jennifer Chow | 2021-11-27 | 2022-12-03 | 2026-11-22 | 666,667 | 0.34 | 0.2188 | 100% |
| Ms Jennifer Chow | 2021-11-27 | 2023-12-03 | 2026-11-22 | 666,667 | 0.34 | 0.2188 | 100% |
| Dr Eliot Bourk | 2022-01-01 | 2023-01-01 | 2027-01-01 | 333,333 | 0.23 | 0.1978 | 100% |
| Dr Eliot Bourk | 2022-01-01 | 2024-01-01 | 2027-01-01 | 333,333 | 0.23 | 0.1978 | 100% |
| Dr Eliot Bourk | 2022-01-01 | 2025-01-01 | 2027-01-01 | 333,334 | 0.23 | 0.1978 | 0% |
| Dr Eliot Bourk | 2022-01-01 | 2023-06-30 | 2027-01-01 | 333,333 | 0.23 | 0.1978 | 100% |
| Dr Eliot Bourk | 2022-01-01 | 2024-06-30 | 2027-01-01 | 333,333 | 0.23 | 0.1978 | 100% |
| Dr Eliot Bourk | 2022-01-01 | 2025-06-30 | 2027-01-01 | 333,334 | 0.23 | 0.1978 | 0% |
| Dr Eliot Bourk | 2022-07-01 | 2023-07-01 | 2027-07-01 | 1,257,195 | 0.092 | 0.0770 | 100% |
| Dr Eliot Bourk | 2022-07-01 | 2024-07-01 | 2027-07-01 | 1,257,195 | 0.092 | 0.0770 | 0% |
| Dr Eliot Bourk | 2022-07-01 | 2025-07-01 | 2027-07-01 | 1,257,573 | 0.092 | 0.0770 | 0% |
| Dr Jason Litten | 2022-07-18 | 2023-07-18 | 2027-07-18 | 666,600 | 0.16 | 0.0949 | 100% |
| Dr Jason Litten | 2022-07-18 | 2024-07-18 | 2027-07-18 | 666,600 | 0.16 | 0.0949 | 0% |
| Dr Jason Litten | 2022-07-18 | 2025-07-18 | 2027-07-18 | 666,800 | 0.16 | 0.0949 | 0% |
| Ms Jennifer Chow | 2022-11-18 | 2023-07-01 | 2027-07-01 | 5,683,381 | 0.092 | 0.0664 | 0% |
| Dr Eliot Bourk/ Dr Jason Litten | 2023-07-01 | 2024-07-01 | 2028-07-01 | 6,238,763 | 0.038 | 0.0305 | 0% |
| Dr Eliot Bourk/ Dr Jason Litten | 2023-07-01 | 2025-07-01 | 2028-07-01 | 6,238,763 | 0.038 | 0.0305 | 0% |
| Dr Eliot Bourk/ Dr Jason Litten | 2023-07-01 | 2026-07-01 | 2028-07-01 | 6,240,636 | 0.038 | 0.0305 | 0% |
| Mr Eric Sullivan | 2023-11-14 | 2024-08-30 | 2028-08-30 | 916,667 | 0.037 | 0.0214 | 0% |
| Mr Eric Sullivan | 2023-11-14 | 2025-08-30 | 2028-08-30 | 916,667 | 0.037 | 0.0214 | 0% |
| Mr Eric Sullivan | 2023-11-14 | 2026-08-30 | 2028-08-30 | 916,666 | 0.037 | 0.0214 | 0% |
| Dr Rebecca McQualter | 2024-05-01 | 2024-05-01 | 2029-05-01 | 5,000,000 | 0.0435 | 0.0217 | 100% |

**Remuneration report (audited) (continued)**

*(h) Additional statutory information (continued)*

*Terms and conditions of the share-based payment arrangements (continued)*

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Dr Rebecca McQualter | 2024-05-01 | 2025-05-01 | 2029-05-01 | 5,000,000 | 0.0435 | 0.0217 | 0% |
| Dr Rebecca McQualter | 2024-05-01 | 2026-05-01 | 2029-05-01 | 5,000,000 | 0.0435 | 0.0217 | 0% |
| Dr Rebecca McQualter | 2024-05-01 | 2027-05-01 | 2029-05-01 | 5,000,000 | 0.0435 | 0.0217 | 0% |

The options vesting conditions are based on the achievement of service milestones, which are achieved if the holder remains with the group until the date is reached. The dates vary from the initial public offering which occurred on 18 January 2021 to up to 5 years from the grant date. There are no performance based milestones attached to any of the above options.

*Reconciliation of options, deferred shares and ordinary shares held by KMP*

*Option holdings*

| 2024 | Balance at start of the year[1] | Granted as remuneration | Forfeiture of options | Other changes[2] | Balance at end of the year[3] | Vested and exercisable |
|---|---|---|---|---|---|---|
| **Options** | | | | | | |
| Mr Paul Hopper | 2,941,176 | - | - | (2,941,176) | - | - |
| Dr Lesley Russell | 2,750,000 | - | - | - | 2,750,000 | 2,750,000 |
| Mr Phillip Hains | 142,860 | - | - | (142,860) | - | - |
| Mr Eric Sullivan | - | 2,750,000 | - | - | 2,750,000 | - |
| Ms Leslie Chong | 2,753,905 | - | - | - | 2,753,905 | 2,753,905 |
| Ms Cindy Elkins | 2,757,873 | - | - | - | 2,757,873 | 2,757,873 |
| Dr George Matcham | 2,908,730 | - | - | - | 2,908,730 | 1,973,730 |
| Ms Jennifer Chow | 27,513,863 | 15,139,467 | - | - | 42,653,330 | 14,694,413 |
| Dr Rebecca McQualter | - | 20,000,000 | - | - | 20,000,000 | 5,000,000 |
| Dr Eliot Bourk | 6,697,400 | 9,152,496 | - | - | 15,849,896 | 3,439,321 |
| Dr Jason Litten | 2,000,000 | 9,565,666 | - | - | 11,565,666 | 666,600 |
| | **50,465,807** | **56,607,629** | **-** | **(3,084,036)** | **103,989,400** | **34,035,842** |

*Notes*

[1] Balance may include shares held prior to individuals becoming KMP. For individuals who became KMP during the year, the balance is as at the date they became KMP.

[2] Other changes incorporates changes resulting from the acquisition and disposal of options.

[3] For former KMP, the balance is as at the date they cease being KMP.

**Remuneration report (audited) (continued)**

*(h) Additional statutory information (continued)*

*Reconciliation of options, deferred shares and ordinary shares held by KMP (continued)*

*Share holdings*

| 2024 | Balance at the start of the year[1] | Granted as remuneration | Received on exercise of options | Other changes[2] | Balance at the end of the year[2] |
|---|---|---|---|---|---|
| **Ordinary shares** | | | | | |
| Mr Paul Hopper | 81,093,954 | - | - | 13,900,220 | 94,994,174 |
| Dr Lesley Russell | - | - | - | 1,739,130 | 1,739,130 |
| Mr Phillip Hains | 6,754,599 | - | - | 3,571,429 | 10,326,028 |
| Mr Eric Sullivan | - | - | - | - | - |
| Ms Leslie Chong | 46,205 | - | - | 108,695 | 154,900 |
| Ms Cindy Elkins | 32,673 | - | - | 108,695 | 141,368 |
| Dr George Matcham | 1,000,800 | - | - | 1,086,956 | 2,087,756 |
| Ms Jennifer Chow | 9,342,229 | 8,643,603 | - | 108,695 | 18,094,527 |
| Dr Rebecca McQualter | - | - | - | - | - |
| Dr Jason Litten | - | - | - | - | - |
| Dr Eliot Bourk | 4,230,603 | - | - | - | 4,230,603 |
| | **102,501,063** | **8,643,603** | **-** | **20,623,820** | **131,768,486** |

*Notes*

[1.] Balance may include shares held prior to individuals becoming KMP. For individuals who became KMP during the year, the balance is as at the date they became KMP.

[2.] Other changes incorporates changes resulting from the acquisition and disposal of shares.

[3.] For former KMP, the balance is as at the date they cease being KMP.

*(i) Voting of shareholders at last year's annual general meeting*

Chimeric Therapeutics Limited received more than 90 percent of favourable votes on its remuneration report for the 2023 financial year.

**[This concludes the remuneration report, which has been audited]**

**Shares under option**

*(a) Unissued ordinary shares*

Unissued ordinary shares of Chimeric Therapeutics Limited under option at the date of this report are as follows:

| Date options granted | Expiry date | Issue price of shares ($) | Number under option |
|---|---|---|---|
| 2020-08-28 | 2025-01-18 | 0.20 | 2,750,000 |
| 2020-11-30 | 2026-01-18 | 0.20 | 6,280,002 |
| 2021-03-08 | 2026-03-08 | 0.29 | 695,552 |
| 2021-08-27 | 2026-08-27 | 0.29 | 1,570,747 |
| 2021-08-27 | 2026-08-27 | 0.32 | 1,000,000 |
| 2021-11-22 | 2026-11-22 | 0.34 | 1,333,334 |
| 2021-12-22 | 2025-12-22 | 0.26 | 400,000 |
| 2022-01-01 | 2027-01-01 | 0.23 | 2,000,000 |
| 2022-01-25 | 2028-07-31 | 0.26 | 237,770 |
| 2022-01-25 | 2029-01-31 | 0.26 | 237,698 |
| 2022-01-25 | 2030-01-31 | 0.26 | 237,698 |
| 2022-07-01 | 2027-07-01 | 0.09 | 4,605,049 |
| 2022-07-18 | 2027-07-18 | 0.16 | 2,000,000 |
| 2022-08-22 | 2027-08-22 | 0.19 | 433,899 |
| 2022-08-27 | 2027-08-27 | 0.12 | 1,000,000 |
| 2022-11-18 | 2027-07-01 | 0.09 | 5,740,215 |
| 2023-06-29 | 2026-07-12 | 0.10 | 4,500,000 |
| 2023-06-22 | 2028-06-22 | 0.046 | 41,891,892 |
| 2023-07-01 | 2028-07-01 | 0.038 | 29,973,234 |
| 2023-11-13 | 2028-07-01 | 0.038 | 15,000,000 |
| 2023-11-14 | 2028-08-30 | 0.037 | 2,750,000 |
| 2023-12-29 | 2029-12-29 | 0.036 | 17,241,379 |
| 2024-05-01 | 2029-05-01 | 0.0435 | 20,000,000 |
| Total | | | 161,878,469 |

No option holder has any right under the options to participate in any other share issue of the group or any other entity.

*(b) Shares issued on the exercise of options*

There were no shares issued from exercise of options during FY24.

**Insurance of officers and indemnities**

*(a) Insurance of officers*

During the financial year, Chimeric Therapeutics Limited has not otherwise paid a premium in respect of a contract to insure the directors and officers of the group against a liability to the extent permitted by *Corporations Act 2001*.

*(b) Indemnity of auditors*

The group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former auditor of the group against a liability incurred as such by an auditor.

**Proceedings on behalf of the group**

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the group, or to intervene in any proceedings to which the group is a party, for the purpose of taking responsibility on behalf of the group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the group with leave of the Court under section 237 of the *Corporations Act 2001.*

**Non-audit services**

The group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the group are important.

Details of the amounts paid or payable to the auditor (Grant Thornton Audit Pty Ltd) for audit and non-audit services provided during the year are set out below.

The board of directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

| | **2024** **$** | 2023 $ |
|---|---|---|
| Grant Thornton Australia Limited: | | |
| Tax compliance services | **-** | 27,828 |
| ***Total remuneration for taxation services*** | **-** | 27,828 |
| ***Total remuneration for non-audit services*** | **-** | 27,828 |

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 39.

**Rounding of amounts**

The group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest dollar.

This report is made in accordance with a resolution of directors.

Mr Paul Hopper
Executive Chairman

Sydney
21 October 2024

**Grant Thornton Audit Pty Ltd**
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

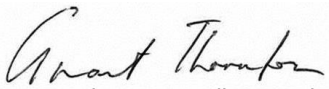
# Auditor's Independence Declaration

## To the Directors of Chimeric Therapeutics Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Chimeric Therapeutics Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants

M A Cunningham
Partner – Audit & Assurance

Melbourne, 21 October 2024

# Corporate governance statement

## Corporate governance statement

Chimeric Therapeutics Limited and the board are committed to achieving and demonstrating the highest standards of corporate governance. Chimeric Therapeutics Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2024 corporate governance statement is dated as at 30 June 2024 and reflects the corporate governance practices in place throughout the 2024 financial year. The 2024 corporate governance statement was approved by the board on 21 October 2024. A description of the group's current corporate governance practices is set out in the group's corporate governance statement which can be viewed at www.chimerictherapeutics.com/corporate-governance.

# Financial statements

# Chimeric Therapeutics Limited

ABN 68 638 835 828

## *Annual Report - 30 June 2024*



This financial statements are consolidated financial statements for the group consisting of Chimeric Therapeutics Limited and its subsidiaries. A list of subsidiaries is included in note 18.

The financial statements are presented in the Australian currency.

Chimeric Therapeutics Limited is a group limited by shares, incorporated and domiciled in Australia.

Its registered office is:
Level 3, 62 Lygon Street
Carlton VIC 3053

Its principal place of business is:
Level 3, 62 Lygon Street
Carlton VIC 3053

The financial statements were authorised for issue by the directors on 21 October 2024. The directors have the power to amend and reissue the financial statements.

**Chimeric Therapeutics Limited**
**Consolidated statement of profit or loss and other comprehensive income**
**For the year ended 30 June 2024**

| | Notes | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|---|
| Other income | 2(a) | **8,713,865** | 4,505,729 |
| Other gains/(losses) | 2(b) | **(1,201,527)** | (96,320) |
| Modification gains | 4(e) | **897,182** | - |
| General and administrative expenses | 2(c) | **(8,999,368)** | (11,733,007) |
| Research and development expenses | 2(c) | **(11,148,002)** | (14,432,338) |
| Share-based payments expenses | | **(571,826)** | (3,321,854) |
| **Operating loss** | | **(12,309,676)** | (25,077,790) |
| Finance income | 2(d) | **121,315** | 27,565 |
| Finance expenses | 2(d) | **(331,811)** | (773,845) |
| **Finance costs - net** | | **(210,496)** | (746,280) |
| **Loss before income tax** | | **(12,520,172)** | (25,824,070) |
| Income tax expense | 3 | **(9,677)** | (92,820) |
| **Loss for the year** | | **(12,529,849)** | (25,916,890) |
| **Other comprehensive income/(loss)** | | | |
| *Items that may be reclassified to profit or loss:* | | | |
| Exchange differences on translation of foreign operations | | (16,889) | (151,399) |
| **Total comprehensive loss for the year** | | **(12,546,738)** | (26,068,289) |
| | | **Cents** | Cents |
| **Loss per share for loss attributable to the ordinary equity holders of the group:** | | | |
| Basic and diluted loss per share | 17 | **(1.80)** | (5.98) |

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

**Chimeric Therapeutics Limited**
**Consolidated statement of financial position**
**As at 30 June 2024**

| | Notes | **2024** **$** | 2023 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 4(a) | **3,053,001** | 2,362,654 |
| Trade and other receivables | | **86,588** | 6,658,131 |
| Other current assets | | **82,508** | 330,568 |
| **Total current assets** | | **3,222,097** | 9,351,353 |
| **Non-current assets** | | | |
| Property, plant and equipment | | **685** | 5,600 |
| Intangible assets | 5(a) | **12,010,372** | 12,978,631 |
| Other financial assets at amortised cost | | **40,000** | 40,000 |
| **Total non-current assets** | | **12,051,057** | 13,024,231 |
| **Total assets** | | **15,273,154** | 22,375,584 |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 4(b) | **6,195,889** | 10,812,516 |
| Other financial liabilities | 4(c) | **3,594,474** | 3,440,672 |
| Employee benefit obligations | 5(b) | **306,600** | 439,341 |
| **Total current liabilities** | | **10,096,963** | 14,692,529 |
| **Non-current liabilities** | | | |
| Other financial liabilities | 4(c) | **2,706,123** | 2,022,339 |
| **Total non-current liabilities** | | **2,706,123** | 2,022,339 |
| **Total liabilities** | | **12,803,086** | 16,714,868 |
| **Net assets** | | **2,470,068** | 5,660,716 |
| **EQUITY** | | | |
| Share capital | 6(a) | **63,510,730** | 53,929,488 |
| Other reserves | 6(b) | **5,518,895** | 8,512,042 |
| Accumulated losses | | **(66,559,557)** | (56,780,814) |
| **Total equity** | | **2,470,068** | 5,660,716 |

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes.*

**Chimeric Therapeutics Limited**
**Consolidated statement of changes in equity**
**For the year ended 30 June 2024**

| | Notes | Attributable to owners of Chimeric Therapeutics Limited | | | |
|---|---|---|---|---|---|
| | | **Share capital** | **Other reserves** | **Accumulated losses** | **Total equity** |
| | | **$** | **$** | **$** | **$** |
| **Balance at 1 July 2022** | | 51,807,595 | 4,762,637 | (30,863,924) | 25,706,308 |
| Loss for the year | | - | - | (25,916,890) | (25,916,890) |
| Other comprehensive income | | - | (151,399) | - | (151,399) |
| **Total comprehensive income/(loss) for the year** | | **-** | **(151,399)** | **(25,916,890)** | **(26,068,289)** |
| **Transactions with owners in their capacity as owners:** | | | | | |
| Contributions of equity net of transaction costs | 6(a) | 1,532,497 | - | - | 1,532,497 |
| Transaction costs and tax | | (640,586) | - | - | (640,586) |
| Issue of shares in lieu of payment of services | 6(a) | 65,000 | - | - | 65,000 |
| Options issued | 6(b) | - | 3,095,864 | - | 3,095,864 |
| Issue of shares as part of forfeiture payments | 6(b) | 293,729 | (106,284) | - | 187,445 |
| Issue of restricted share units | | - | (11,001) | - | (11,001) |
| Issue of shares under the employee incentive scheme | | 871,253 | (122,775) | - | 748,478 |
| Shares to be issued per board and management placement | | - | 1,045,000 | - | 1,045,000 |
| | | 2,121,893 | 3,900,804 | - | 6,022,697 |
| **Balance at 30 June 2023** | | **53,929,488** | **8,512,042** | **(56,780,814)** | **5,660,716** |

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

| | Notes | Attributable to owners of Chimeric Therapeutics Limited | | | |
|---|---|---|---|---|---|
| | | **Share capital** | **Other reserves** | **Accumulated losses** | **Total equity** |
| | | **$** | **$** | **$** | **$** |
| **Balance at 1 July 2023** | | 53,929,488 | 8,512,042 | (56,780,814) | 5,660,716 |
| Loss for the year | | - | - | (12,529,849) | (12,529,849) |
| Other comprehensive loss | | - | (16,889) | - | (16,889) |
| **Total comprehensive income/(loss) for the year** | | **-** | **(16,889)** | **(12,529,849)** | **(12,546,738)** |
| **Transactions with owners in their capacity as owners:** | | | | | |
| Contributions of equity | 6(a) | 7,664,077 | - | - | 7,664,077 |
| Transaction costs and tax | 6(a) | (871,011) | - | - | (871,011) |
| Cancellation of options | 13(b) | - | (2,357,694) | 1,340,866 | (1,016,828) |
| Expiration of options | 6(b) | - | (1,410,240) | 1,410,240 | - |
| Issue of performance rights | | - | 116,413 | - | 116,413 |
| Issue of shares in lieu of payment of services | 6(a) | 69,900 | (36,900) | - | 33,000 |
| Options issued | 6(b) | - | 2,066,214 | - | 2,066,214 |
| Issue of shares as part of forfeiture payments | 6(b) | 353,276 | (309,051) | - | 44,225 |
| Issue of shares under share purchase agreement | 6(a) | 1,320,000 | - | - | 1,320,000 |
| Shares to be issued per board and management placement | 6(a) | 1,045,000 | (1,045,000) | - | - |
| | | 9,581,242 | (2,976,258) | 2,751,106 | 9,356,090 |
| **Balance at 30 June 2024** | | **63,510,730** | **5,518,895** | **(66,559,557)** | **2,470,068** |

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

**Chimeric Therapeutics Limited**
**Consolidated statement of cash flows**
**For the year ended 30 June 2024**

| | Notes | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from introduction fees (inclusive of GST) | | **5,474,538** | - |
| Payments to suppliers and employees (inclusive of GST) | | **(20,466,849)** | (19,832,570) |
| Research and Development tax incentive received | | **7,337,272** | 3,499,252 |
| Interest received | | **117,315** | 27,565 |
| **Net cash (outflow) from operating activities** | 7(a) | **(7,537,724)** | (16,305,753) |
| **Cash flows from investing activities** | | | |
| Payments for intellectual property | | **-** | (112,193) |
| **Net cash (outflow) from investing activities** | | **-** | (112,193) |
| **Cash flows from financing activities** | | | |
| Proceeds from issues of shares and other equity securities | | **11,740,253** | 2,577,497 |
| Share issue transaction costs | | **(1,196,381)** | (88,819) |
| Interest expense | | **(10,113)** | (10,302) |
| Repayment of financial liabilities | | **(2,277,000)** | (2,225,000) |
| **Net cash inflow from financing activities** | | **8,256,759** | 253,376 |
| **Net increase (decrease) in cash and cash equivalents** | | **719,035** | (16,164,570) |
| Cash and cash equivalents at the beginning of the financial year | | **2,362,654** | 18,381,533 |
| Effects of exchange rate changes on cash and cash equivalents | | **(28,688)** | 145,691 |
| **Cash and cash equivalents at end of year** | 4(a) | **3,053,001** | 2,362,654 |

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

## Contents of the notes to the financial statements

# 1 Segment information

Management has determined, based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions, that the group has one reportable segment being the research, development and commercialisation of health technologies. The segment details are therefore fully reflected in the body of the financial report.

# 2 Other income and expense items

## (a) Other income

| | Notes | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|---|
| Introduction fees | 2(a)(i) | **4,954,023** | - |
| Research and development tax incentive | | **3,759,842** | 4,505,729 |
| | | **8,713,865** | 4,505,729 |

*(i) Introduction fees*

During the year ended 30 June 2024, the group received $4,954,023 as an introduction fee for their contribution to the agreement between Imugene Limited and Precision Biosciences, Inc for the research and development of the azer-cel CAR T technology.

*(ii) Research and development tax incentive*

The group's research and development activities are eligible under an Australian government tax incentive for eligible expenditure. Where expenditure is incurred outside Australia, an 'overseas finding' must be obtained from AusIndustry prior to any such expenditure being eligible under the scheme. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. Amounts are recognised when it has been established that the conditions of the tax incentive have been met and that the expected amount can be reliably measured. For the year ended 30 June 2024, the group has included an item in other income of $3,759,842 (2023: $4,505,729) to recognise income over the period necessary to match the grant on a systematic basis with the costs that they are intended to compensate. The $4,505,729 recognised at 30 June 2023 includes $882,130 relating to the prior years rebate. The funds were only received in the prior year as eligibility to receive the amount was uncertain at 30 June 2022. The $3,759,842 recognised at 30 June 2024 includes $3,734,089 relating to the prior years rebate. The funds were only received in the current year as eligibility to receive the amount was uncertain at 30 June 2023.

## (b) Other gains/(losses)

| | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|
| Net loss on disposal of property, plant and equipment | **(994)** | (2,448) |
| Net foreign exchange losses | **55,674** | (93,872) |
| Fair value adjustment on financing agreements | **(1,256,207)** | - |
| | **(1,201,527)** | (96,320) |

## 2 Other income and expense items (continued)

### (c) Breakdown of expenses by nature

| | Notes | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|---|
| **General and administrative expenses** | | | |
| Accounting and audit | | **794,868** | 963,297 |
| Consulting | | **80,751** | 87,924 |
| Deferred Losses | | **75,934** | - |
| Depreciation | | **3,922** | 7,941 |
| Employee benefits | | **6,600,057** | 8,364,015 |
| Insurance | | **275,474** | 378,411 |
| Investor relations | | **212,759** | 455,168 |
| Legal | | **172,726** | 393,799 |
| Listing and share registry | | **160,188** | 166,414 |
| Occupancy | | **1,010** | 25,868 |
| Patent costs | | **109,512** | 185,583 |
| Recruitment and staff training | | **109,549** | 212,689 |
| Travel and entertainment | | **251,478** | 430,750 |
| Other | | **151,140** | 61,148 |
| | | **8,999,368** | 11,733,007 |
| **Research and development expenses** | | | |
| Amortisation | | **1,002,207** | 957,410 |
| Chlorotoxin CAR-T technology | | **2,538,002** | 4,790,033 |
| CDH17 | | **4,818,177** | 6,099,248 |
| CORE-NK | | **1,431,048** | 39,567 |
| Fair value movement in contingent consideration | 4(d)(i) | **955,627** | 1,614,334 |
| Other | | **402,941** | 931,746 |
| | | **11,148,002** | 14,432,338 |

The research and development expenses align with the intellectual property held by the group as disclosed in note 5(a) and represents the amount of R&D expended on developing the respective intellectual property.

## 2 Other income and expense items (continued)

### (d) Finance income and expenses

| | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|
| *Finance income* | | |
| Interest income from financial assets held for cash management purposes | **121,315** | 27,565 |
| **Finance income** | **121,315** | 27,565 |
| *Finance expenses* | | |
| Interest and finance charges paid for financial liabilities not at fair value | **(10,113)** | (10,302) |
| Finance expenses in relation to financing activities | **(321,698)** | (763,543) |
| **Finance expenses** | **(331,811)** | (773,845) |
| **Net finance costs** | **(210,496)** | (746,280) |

## 3 Income tax expense

### (a) Australian tax expense

*(i) Numerical reconciliation of income tax expense to prima facie tax payable*

| | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|
| Loss from continuing operations before income tax expense | **(13,157,472)** | (25,146,677) |
| Tax at the Australian tax rate of 25% (2023: 25%) | **(3,289,368)** | (6,286,669) |
| Tax effect of amounts which are not deductible/(taxable) in calculating taxable income: | | |
| R&D tax incentive | **(939,961)** | (1,126,432) |
| Accounting expenditure subject to R&D tax incentive | **2,160,830** | 2,589,499 |
| Accrued expenses | **(7,204)** | 405,310 |
| Amortisation | **(250,552)** | (239,353) |
| Employee leave obligations | **1,070** | - |
| Patent costs | **27,378** | 46,396 |
| Share-based payments | **142,957** | 830,464 |
| Unrealised currency movements | **(26,224)** | 23,636 |
| Subtotal | **(2,181,074)** | (3,757,149) |
| Tax losses and other timing differences for which no deferred tax asset is recognised | **2,181,074** | 3,757,149 |
| Income tax expense | **-** | - |

*(ii) Tax losses*

| | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|
| Unused tax losses for which no deferred tax asset has been recognised | **50,141,857** | 41,417,561 |
| Potential tax benefit at 25% (2023: 25%) | **12,535,464** | 10,354,390 |

## 3 Income tax expense (continued)

### (b) US tax expense

*(i) Income tax expense*

| | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|
| *Current tax* | | |
| Current tax on profits for the year | **9,677** | 92,820 |
| **Total current tax expense** | **9,677** | 92,820 |
| **Income tax expense** | **9,677** | 92,820 |

*(ii) Numerical reconciliation of income tax expense to prima facie tax payable*

| | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|
| Loss from continuing operations before income tax expense | **624,904** | 337,668 |
| Tax at the US tax rate of 27.5% (2023: 27.5%) | **171,849** | 92,859 |
| Tax effect of amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Accrued expenses | **(30,227)** | 27,737 |
| Employee leave obligations | **(1,653)** | 63,508 |
| Unrealised currency (gains)/losses | **(47)** | 4,701 |
| Subtotal | **139,922** | 188,805 |
| Tax losses and other timing differences for which no deferred tax asset is recognised | **(130,245)** | (95,985) |
| Income tax expense | **9,677** | 92,820 |

*(iii) Tax losses*

| | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|
| Unused tax losses for which no deferred tax asset has been recognised | **(3,460,642)** | (3,934,260) |
| Potential tax benefit at 27.5% (2023: 27.5%) | **(951,677)** | (1,081,922) |

# 4 Financial assets and financial liabilities

## (a) Cash and cash equivalents

| | **2024** **$** | 2023 $ |
|---|---|---|
| **Current assets** | | |
| Cash at bank and on hand | **3,053,001** | 2,362,654 |

*(i) Reconciliation to cash flow statement*

The above figures reconcile to the amount of cash shown in the consolidated statement of cash flows at the end of the financial year as follows:

| | **2024** **$** | 2023 $ |
|---|---|---|
| Balances as above | **3,053,001** | 2,362,654 |
| Balances per statement of cash flows | **3,053,001** | 2,362,654 |

*(ii) Classification as cash equivalents*

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

*(iii) Risk exposure*

The group's exposure to interest rate risk is discussed in note 9. The maximum exposure to credit risk at the end of the reporting year is the carrying amount of each class of cash and cash equivalents mentioned above.

## (b) Trade and other payables

| | **2024** | | | 2023 | | |
|---|---|---|---|---|---|---|
| | **Current** **$** | **Non-current** **$** | **Total** **$** | Current $ | Non-current $ | Total $ |
| Trade payables | **3,201,192** | **-** | **3,201,192** | 7,406,782 | - | 7,406,782 |
| Amounts due to employees | **-** | **-** | **-** | 258,301 | - | 258,301 |
| Accrued expenses | **2,930,268** | **-** | **2,930,268** | 3,069,002 | - | 3,069,002 |
| Other payables | **64,429** | **-** | **64,429** | 78,431 | - | 78,431 |
| | **6,195,889** | **-** | **6,195,889** | 10,812,516 | - | 10,812,516 |

## 4 Financial assets and financial liabilities (continued)

### (c) Other financial liabilities

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| | **Current $** | **Non-current $** | **Total $** | Current $ | Non-current $ | Total $ |
| Chlorotoxin CAR-T contingent consideration | **-** | **1,326,152** | **1,326,152** | - | 1,454,763 | 1,454,763 |
| CHD17 contingent consideration | **297,637** | **1,192,647** | **1,490,284** | - | 467,823 | 467,823 |
| CORE-NK contingent consideration | **14,878** | **187,324** | **202,202** | 40,672 | 99,753 | 140,425 |
| Advance payment liability (ii) | **3,281,959** | **-** | **3,281,959** | 3,400,000 | - | 3,400,000 |
| | **3,594,474** | **2,706,123** | **6,300,597** | 3,440,672 | 2,022,339 | 5,463,011 |

*(i) Deferred consideration*

The deferred consideration relates to payable upfront costs from the acquisition of licences. During the year the group paid nil (2023: $2,336,929) inclusive of deferred consideration liability. The contingent consideration includes amounts related to the provision of milestone payments. For more information, please refer to note 10.

*(ii) Advance payment liability*

The advance payment liability relates to the share placement agreement with Lind Global Fund II, LP. The amount represents the fair value of the advance payment liability under the agreement. Further information on the agreement can be found in note 8(b)(v).

## 4 Financial assets and financial liabilities (continued)

### (d) Recognised fair value measurements

*(i) Fair value hierarchy*

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

| ***Recurring fair value measurements*** **At 30 June 2024** | **Level 1** **$** | **Level 2** **$** | **Level 3** **$** | **Total** **$** |
|---|---|---|---|---|
| **Financial Liabilities** | | | | |
| Chlorotoxin CAR-T contingent consideration | **-** | **-** | **1,326,152** | **1,326,152** |
| CDH17 contingent consideration | **-** | **-** | **1,490,284** | **1,490,284** |
| CORE-NK contingent consideration | **-** | **-** | **202,202** | **202,202** |
| Advance payment liability | **-** | **-** | **3,281,959** | **3,281,959** |
| **Total financial liabilities** | **-** | **-** | **6,300,597** | **6,300,597** |

| *Recurring fair value measurements* At 30 June 2023 | **Level 1** **$** | **Level 2** **$** | **Level 3** **$** | **Total** **$** |
|---|---|---|---|---|
| **Financial Liabilities** | | | | |
| Chlorotoxin CAR-T contingent consideration | - | - | 1,454,763 | 1,454,763 |
| CDH17 contingent consideration | - | - | 467,823 | 467,823 |
| CORE-NK contingent consideration | - | - | 140,425 | 140,425 |
| Advance payment liability | - | - | 3,400,000 | 3,400,000 |
| **Total financial liabilities** | - | - | 5,463,011 | 5,463,011 |

## 4 Financial assets and financial liabilities (continued)

### (d) Recognised fair value measurements (continued)

*(i) Fair value hierarchy (continued)*

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting year. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

*Contingent consideration*

The fair value of contingent consideration relating to the acquisition of licences is estimated using a present value technique which discounts the management's estimate of the probability that the milestone will be achieved. For more information refer to note 8 and note 10.

The discount rate used at 30 June 2024 was 8.96% (2023: 6.85%). The discount rate is based on the expected rate of return, which has been determined using the capital asset pricing model.

*Advance payment liability*

The fair value of the advance payment liability relates to the value of the liability measured after initial recognition. For more information refer to note 4(e).

### (e) Advanced payment facility

The advance payment liability relates to the share placement agreement with Lind Global Fund II, LP. The liability represents the fair value of the advance payment liability under the agreement. Further information on the agreement can be found in note 8(b)(v).

| | **2024** | 2023 |
|---|---|---|
| | **$** | $ |
| Opening balance | **3,400,000** | - |
| Settlement of facility in shares | **(1,320,000)** | - |
| Issue of facility | **-** | 3,400,000 |
| Derecognition of facility | **(2,760,000)** | - |
| Rerecogition of facility | **2,705,752** | - |
| Fair value adjustment | **1,256,207** | - |
| | **3,281,959** | 3,400,000 |

At 30 June 2024, a gain of $897,182 was recognised from the modification of the instrument due to the signing of the amended agreement.

## 5 Non-financial assets and liabilities

### (a) Intangible assets

| | Chlorotoxin CAR-T $ | CDH-17 $ | CORE-NK $ | Total $ |
|---|---|---|---|---|
| **At 1 July 2022** | | | | |
| Cost | 14,670,492 | 719,863 | 48,908 | 15,439,263 |
| Accumulated amortisation and impairment | (1,748,079) | (38,144) | - | (1,786,223) |
| Net book amount | 12,922,413 | 681,719 | 48,908 | 13,653,040 |
| **Year ended 30 June 2023** | | | | |
| Opening net book amount | 12,922,413 | 681,719 | 48,908 | 13,653,040 |
| Additions | - | - | 283,001 | 283,001 |
| Amortisation charge | (903,752) | (40,473) | (13,185) | (957,410) |
| Closing net book amount | 12,018,661 | 641,246 | 318,724 | 12,978,631 |
| **At 30 June 2023** | | | | |
| Cost | 14,670,492 | 719,863 | 331,909 | 15,722,264 |
| Accumulation amortisation and impairment | (2,651,831) | (78,617) | (13,185) | (2,743,633) |
| Net book amount | 12,018,661 | 641,246 | 318,724 | 12,978,631 |
| **Year ended 30 June 2024** | | | | |
| Opening net book amount | 12,018,661 | 641,246 | 318,724 | 12,978,631 |
| Amortisation charge | (906,228) | (40,584) | (21,447) | (968,259) |
| Closing net book amount | 11,112,433 | 600,662 | 297,277 | 12,010,372 |
| **At 30 June 2024** | | | | |
| Cost | 14,670,492 | 719,863 | 331,909 | 15,722,264 |
| Accumulated amortisation and impairment | (3,558,059) | (119,201) | (34,632) | (3,711,892) |
| Net book amount | 11,112,433 | 600,662 | 297,277 | 12,010,372 |

## 5 Non-financial assets and liabilities (continued)

### (a) Intangible assets (continued)

The group's intellectual property is measured at initial cost, less any accumulated amortisation and impairment losses.

*(i) Chlorotoxin CAR-T technology*

The company has recognised the Intellectual Property “Chlorotoxin CAR-T technology” through the acquisition of a worldwide exclusive licence developed at City of Hope, a world-renowned independent research and treatment centre for cancer, diabetes and other life-threatening diseases based in Los Angeles, California. The licence agreement between City of Hope and Chimeric is perpetual.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amount recognised as an intangible asset relate to the upfront licences fee paid, the value of equity issued to City of Hope in respect of the licence agreement and contingent considerations.

The Chlorotoxin CAR-T technology is amortised over a period of 16 years, being management's assessed useful life of the intangible asset.

*(ii) CDH-17*

The group has recognised the Intellectual Property “CDH17” through the acquisition of a worldwide exclusive licence developed at University of Pennsylvania, a world-renowned Cell Therapy Centre based in Philadelphia, Pennsylvania. The licence agreement between University of Pennsylvania and Chimeric is perpetual.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amounts recognised as intangible assets relate to the upfront licenses fee paid and the value of equity issued to University of Pennsylvania in respect of the licence agreement.

CDH-17 is amortised over a period of 18 years, being management's assessed useful life of the intangible asset.

*(iii) CORE-NK*

The group has recognised the Intellectual Property “CORE-NK” through the acquisition of an exclusive licence developed at Case Western Reserve University, a private research university based in Cleveland, Ohio. The licence agreement between Case Western Reserve University and Chimeric is perpetual.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amounts recognised as intangible assets relate to the upfront licence fee paid and the value of equity issued to Case Western Reserve University in respect of the licence agreement.

CORE-NK is amortised over a period of 15 years, being management's assessed useful life of the intangible asset.

*(iv) Impairment test for intellectual property*

The group's intangible assets are assessed for impairment at each reporting period.

Management has considered the following potential indicators:

- The market capitalisation of Chimeric Therapeutics Limited on the Australian Securities Exchange on the impairment testing date of 30 June 2024 is in excess of the net book value of assets;
- The scientific results and progress of the trials;
- Comparisons with companies in a similar field of development and similar stage; and
- Changes in growth of the biotech sector.

There were no indicators of impairment identified at 30 June 2024.

See note 20(k) for the other accounting policies relevant to intangible assets, and note 20(e) for the group’s policy regarding impairments.

## 5 Non-financial assets and liabilities (continued)

### (b) Employee benefit obligations

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| | **Current $** | **Non-current $** | **Total $** | Current $ | Non-current $ | Total $ |
| Leave obligations (i) | **306,600** | **-** | **306,600** | 439,341 | - | 439,341 |

*(i) Leave obligations*

The leave obligations cover the group's liabilities for annual leave which are classified as short-term benefits, as explained in note 20(m).

The current portion of this liability includes all of the accrued annual leave and pro-rata payments employees are entitled to in certain circumstances. The entire amount of the provision of $306,600 (2023: $439,341) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

# 6 Equity

## (a) Share capital

| | Notes | **2024 Shares** | 2023 Shares | **2024 $** | 2023 $ |
|---|---|---|---|---|---|
| Ordinary shares | | | | | |
| Fully paid | | **876,055,712** | 506,685,568 | **63,510,730** | 53,929,488 |
| | 6(a)(i) | **876,055,712** | 506,685,568 | **63,510,730** | 53,929,488 |

*(i) Movements in ordinary shares:*

| **Details** | **Number of shares** | **Total $** |
|---|---|---|
| **Balance at 1 July 2022** | **425,278,237** | **51,807,595** |
| Issue of shares under the employee incentive scheme at $0.259 (2022-11-18) | 132,829 | 34,403 |
| Issue of shares under the employee incentive scheme at $0.091 (2022-11-18) | 400,347 | 36,432 |
| Issue of shares under the employee incentive scheme at $0.151 (2022-11-18) | 587,025 | 88,641 |
| Issue of shares under the employee incentive scheme at $0.232 (2022-11-18) | 230,549 | 53,487 |
| Issue of shares under the employee incentive scheme at $0.092 (2022-11-18) | 7,075,512 | 650,947 |
| Issue of forfeiture shares at $0.089 (2022-12-12) | 3,300,325 | 293,729 |
| Issue of shares under the employee incentive scheme at $0.082 (2022-12-22) | 89,551 | 7,343 |
| Issue of shares from Share Purchase Plan at $0.035 (2023-06-23) | 43,785,637 | 1,532,497 |
| Issue of shares upon termination of placement agreement at $0.036 (2023-06-23) | 1,805,556 | 65,000 |
| Issue of shares under the share purchase agreement at $0.033 (2023-06-29) | 24,000,000 | - |
| Less: Transaction costs arising on share issues | - | (640,586) |
| **Balance at 30 June 2023** | **506,685,568** | **53,929,488** |

## 6 Equity (continued)

### (a) Share capital (continued)

*(i) Movements in ordinary shares: (continued)*

| Details | Number of shares | Total $ |
|---|---|---|
| **Balance at 1 July 2023** | **506,685,568** | **53,929,488** |
| Issue of shares for the board and management placement at $0.046 (2023-07-12) | 22,717,388 | 1,045,000 |
| Issue of shares under the share purchase agreement at $0.025 (2023-10-04) | 4,800,000 | 120,000 |
| Issue of shares under the share purchase agreement at $0.023 (2023-11-03) | 17,391,305 | 400,000 |
| Issue of shares from rights issue at $0.028 (2023-12-07) | 159,399,542 | 4,463,187 |
| Issue of forfeiture shares at $0.035 (2023-12-14) | 8,643,603 | 302,526 |
| Issue of forfeiture shares at $0.0689 (2023-12-14) | 736,575 | 50,750 |
| Issue of shares for services rendered at $0.0791 (2023-12-14) | 466,605 | 36,900 |
| Issue of shares under the share purchase agreement at $0.024 (2023-12-22) | 5,000,000 | 120,000 |
| Issue of shares at $0.028 in lieu of cash for services rendered (2024-01-05) | 1,178,571 | 33,000 |
| Issue of shares from the shortfall from Entitlement offer at $0.028 (2024-01-24) | 114,317,500 | 3,200,890 |
| Issue of shares under the share purchase agreement at $0.022 (2024-02-27) | 5,454,546 | 120,000 |
| Issue of shares under the share purchase agreement at $0.024 (2024-03-28) | 5,000,000 | 120,000 |
| Issue of shares under the share purchase agreement at $0.026 (2024-04-30) | 4,615,385 | 120,000 |
| Issue of shares under the share purchase agreement at $0.019 (2024-05-30) | 6,315,790 | 120,000 |
| Issue of shares under the share purchase agreement at $0.015 (2024-06-28) | 13,333,334 | 200,000 |
| Less: Transaction costs arising on share issues | - | (871,011) |
| **Balance 30 June 2024** | **876,055,712** | **63,510,730** |

*(ii) Share purchase agreement*

The issuance of 24 million shares in June 2023 under the share purchase agreement is considered an embedded derivative with the advance payment credit, thus valued as one instrument. For more information refer to note 8(b)(v).

## 6 Equity (continued)

### (b) Other reserves

The following table shows a breakdown of the Statement of financial position line item 'other reserves' and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below the table.

| | Notes | Shares to be issued $ | Share- based payments $ | Equity settled payments $ | Foreign currency translation $ | Total other reserves $ |
|---|---|---|---|---|---|---|
| **At 1 July 2022** | | **-** | **4,508,728** | **415,335** | **(161,426)** | **4,762,637** |
| Currency translation differences | | - | - | - | (151,399) | (151,399) |
| **Other comprehensive loss** | | - | - | - | (151,399) | (151,399) |
| Transactions with owners in their capacity as owners | | | | | | |
| Issue of options | 6(b)(ii) | - | 3,095,864 | - | - | 3,095,864 |
| Issue of shares as part of forfeiture payments | | - | - | (106,284) | - | (106,284) |
| Issue of restricted share units | | - | (11,001) | - | - | (11,001) |
| Shares to be issued/(issued) | | 36,900 | (159,675) | - | - | (122,775) |
| Shares to be issued per board and management placement | | 1,045,000 | - | - | - | 1,045,000 |
| **At 30 June 2023** | | **1,081,900** | **7,433,916** | **309,051** | **(312,825)** | **8,512,042** |
| Currency translation differences | | - | - | - | (16,889) | (16,889) |
| **Other comprehensive loss** | | - | - | - | (16,889) | (16,889) |
| Transactions with owners in their capacity as owners | | | | | | |
| Shares to be issued/(issued) | | (36,900) | - | - | - | (36,900) |
| Issue of options | 6(b)(ii) | - | 2,066,214 | - | - | 2,066,214 |
| Issue of shares as part of forfeiture payments | | - | - | (309,051) | - | (309,051) |
| Expiration of options | | - | (1,410,240) | - | - | (1,410,240) |
| Issue of performance rights | | - | 116,413 | - | - | 116,413 |
| Cancellation of options | 6(b)(ii) | - | (2,357,694) | - | - | (2,357,694) |
| Shares to be issued per board and management placement | | (1,045,000) | - | - | - | (1,045,000) |
| **At 30 June 2024** | | **-** | **5,848,609** | **-** | **(329,714)** | **5,518,895** |

## 6 Equity (continued)

### (b) Other reserves (continued)

*(i) Nature and purpose of other reserves*

*Share-based payments*

The share-based payment reserve records items recognised as expenses relating to equity payments including the valuation of share options issued to key management personnel, other employees and and eligible contractors.

*Foreign currency translations*

Exchange differences arising on translation of foreign controlled entities are recognised in other comprehensive income or loss as described in note 20(c) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

*Equity settled payments*

Equity settled payments reserve records items recognised as expenses on valuation of shares to be issued to key management personnel and other employees for forfeiture of long term incentives at previous employers.

*(ii) Movements in options:*

| Details | Number of options | Total $ |
|---|---|---|
| **Balance at 1 July 2022** | **130,380,133** | **4,338,052** |
| Issue of Employee Stock Ownership Plan (ESOP) unlisted options | 28,613,089 | 1,179,574 |
| Issue of unlisted options | 4,500,000 | 82,350 |
| Issue of options per share purchase agreement | 41,891,892 | 681,581 |
| Expense for share-based payments for options previously issued | - | 1,152,359 |
| **Balance at 30 June 2023** | **205,385,114** | **7,433,916** |
| Issue of unlisted options | 100,104,080 | 1,399,058 |
| Forfeiture of ESOP unlisted options | (32,058,742) | (1,016,828) |
| Lapse of ESOP unlisted options | (8,573,159) | (1,340,866) |
| Expiration of unlisted options | (19,957,897) | (1,410,240) |
| Expiration of listed options | (83,020,927) | - |
| Expense for share-based payments for options previously issued | - | 667,156 |
| **Balance at 30 June 2024** | **161,878,469** | **5,732,196** |

## 7 Cash flow information

### (a) Reconciliation of profit after income tax to net cash outflow from operating activities

| | **2024** | 2023 |
|---|---|---|
| | **$** | $ |
| **Loss for the year** | **(12,529,849)** | (25,916,890) |
| Adjustments for | | |
| Depreciation and amortisation | **1,082,063** | 965,351 |
| Disposal of property, plant and equipment | **5,146** | 4,185 |
| Fair value movements | **1,256,207** | - |
| Finance costs | **331,811** | 773,845 |
| Finance income | **(121,315)** | (27,565) |
| Forfeiture payment provision | **-** | 264,883 |
| Leave provision expense | **(1,730)** | 230,938 |
| Share-based payments | **893,524** | 3,321,854 |
| Net foreign currency losses | **(55,432)** | 230,007 |
| Change in operating assets and liabilities: | | |
| Movement in trade and other receivables | **3,564,543** | (993,368) |
| Movement in other current assets | **14,112** | 100,847 |
| Movement in trade payables | **(1,976,804)** | 4,740,160 |
| Net cash outflow from operating activities | **(7,537,724)** | (16,305,753) |

## 8 Material estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong due to changes in estimates and judgements. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The areas involving judgement or estimation are detailed below.

**(a) Judgements**

*(i) Impairment*

The group's intangible assets are assessed for impairment at each reporting period.

Management have not identified any indicators of impairment in the current year, for the following reasons:

- The market capitalisation of Chimeric Therapeutics Limited on the Australian Securities Exchange on the impairment testing date of 30 June 2024 is in excess of the net book value of assets;
- The scientific results and progress of the trials;
- Comparisons with companies in a similar field of development and similar stage; and
- Changes in growth of the biotech sector.

As no indicators of impairment have been identified, no impairment test has been performed. Should an indicator be identified, management would be required to perform an impairment test.

**(b) Estimates**

*(i) R&D tax incentive income accrual*

The group's R&D activities are eligible under an Australian government tax incentive for eligible expenditure. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. Amounts are recognised when it has been established that the conditions of the tax incentive have been met and that the expected amount can be reliably measured.

Judgement is applied to each transaction the group incurs each financial year, by determining a percentage of each transaction that relates to R&D.

R&D income is determined using eligibility criteria and percentages of eligibility estimated by management. These estimated eligibility percentages determine the base for which the R&D tax rebate is calculation and therefore is subject to a degree of uncertainty.

*(ii) Useful life of intangible assets*

Management have assessed that "ready for use" for the group is not the commercialisation of an intangible asset but rather the goal to develop intangible assets to a point that a trade sale of a licence is more likely. They have concluded that all intangible asset's are "ready for use" and have applied judgement over the period which each asset is expected to be available for use by the entity.

## 8 Material estimates and judgements (continued)

### (b) Estimates (continued)

*(ii) Useful life of intangible assets (continued)*

The life of the asset is indeterminate at this stage of development. The maximum life in which the group has control of the intangible asset can be determined by the length of legal protection of the intellectual property (IP) covered by the patent life over the IP. The life of an asset is determined by reference to that IP protection, subject to reassessment each year, taking into consideration changing expectations about possible timing of trade sale of a licence.

The useful life is determined using the expiry date of the last patent to expire. These dates determine the life of the IP and therefore is subject to a degree of uncertainty.

*(iii) Share-based payments*

The assessed fair value of options at grant date was determined using the Black-Scholes option pricing model that takes into account the exercise price, term of the option, security price at grant date and expected price volatility of the underlying security, the expected dividend yield, the risk-free interest rate for the term of the security and certain probability assumptions.

This model requires the following inputs which involve judgements to be made:

- Volatility rate is set at 100% as there is a limited history of share movements to accurately calculate the volatility for the valuation; and
- Risk-free rate is obtained by referencing to the Capital Market Yields for Government Bonds supplied by the RBA. The rate is selected by determining what the rate is at the date the options are granted to the holder. Additionally, there are different rates supplied by the RBA each day dependent on the terms of the bond (2, 3, 5, 10 years). The term of the option will determine which rate is used (i.e. a 5 year term will use the 5 year bond rate). If an options term is between two terms for example 4 years, the rate that is used is that of the lower term i.e. the 3 year bond rate.

These inputs determine the value of each share-based payment and therefore it is subject to a degree of uncertainty.

*(iv) Contingent consideration*

The fair value of the group’s contingent consideration relating to the acquisition of licences is estimated using a present value technique which discounts the management's estimate of the probability that the milestone will be achieved. Management's assessment of the probability is based on their experience and considering industry information on clinical trial success rates and related parameters.

At the end of the reporting year, the group has applied judgement to multiple milestones detailed in note 10.

The discount rate used at 30 June 2024 was 8.96% (2023: 6.85%). The discount rate is based on the expected rate of return, which has been determined using the capital asset pricing model.

The timeframe for discounting varies depending on the milestone, and is aligned with industry information on the length of time taken to conduct oncological clinical trials.

The probability assigned to each milestone determines the value of the consideration and therefore is subject to a degree of uncertainty.

The fair value of contingent consideration is sensitive to changes in the probability of clinical trial success and the timeframe for completion of those clinical trials. These sensitivities are interdependent. A 1% change in the probability of clinical trial success or a 1 year reduction in the timeframe for completion of clinical trials would have a material impact on the fair value of contingent consideration.

## 8 Material estimates and judgements (continued)

### (b) Estimates (continued)

*(v) Lind share purchase agreement*

In June 2023, the group entered into a share subscription agreement with Lind Global II LP. The key terms of this agreement are as follows:

(a) Lind pays an advance amount of $3.1 million to the group; and

(b) the group provides Lind with the following:

- An advance payment credit of $3.4 million (which is not a loan and does not bear interest), which Lind can use during the duration of the agreement to subscribe for additional shares, or adjusting the liability for the initial shares issued (see below);
- 24,000,000 ordinary shares, subject to payment by Lind of the subscription price - being the lower of $0.048 per share, or 90% of the average of the lowest three daily volume weighted average prices during the 20 actual trading days immediately prior to the date on which the subscription price is to be determined; and
- 41,891,892 irredeemable options, granting Lind the right to purchase one share, at an exercise price of $0.046 per share, within a period of 48 calendar months from the grant date.

On 29 December 2023, the group entered into an amendment to the share subscription agreement with Lind Global II LP. The key terms of this agreement are as follows:

(a) Lind pays an advance amount of $1.0 million to the group; and

(b) the group provides Lind with the following:

- An advance payment credit of $1.1 million (which is not a loan and does not bear interest), which Lind can use during the duration of the agreement to subscribe for additional shares, or adjusting the liability for the initial shares issued (see below);
- 17,241,379 irredeemable options, granting Lind the right to purchase one share, at an exercise price of $0.036 per share, within a period of 48 calendar months from the grant date.

This transaction has been accounted for under AASB 132 - Financial Instruments: Presentation. The identification and separation of the components involved under an arrangement within the scope of AASB 132 depends upon whether these instruments were granted in compensation for the capital received and thus are a transaction cost. The group has considered whether the advance payment credit, initial shares, and options are freestanding based on their legal detachability and separate exercisability.

Based on the above analysis, the group has determined that the option component is freestanding, while the advance payment credit and initial shares are one combined instrument.

Classification - options

The options are an equity instrument under AASB 132. As the options convert on a 1 for 1 basis, they meet the fixed-for-fixed criteria. Therefore, they are not a financial liability, and are accounted for as equity and initially measured at fair value.

The options were issued as part of the raising of funding as they enabled the group to access finance at a rate lower than it would otherwise have obtained. The options are thus, in substance, considered to represent a cost of fundraising. As the advance payment liability (see below) is accounted for at fair value through profit or loss, the associated transaction costs (i.e., these options) are expensed rather than included in the value of the liability on initial recognition.

## 8 Material estimates and judgements (continued)

### (b) Estimates (continued)

*(v) Lind share purchase agreement (continued)*

Classification - advance payment liability

The combined instrument qualifies as a derivative instrument. The two components (the advance payment credit and initial shares) are accounted for as follows:

- As the initial share component of the combined instrument will be settled by the group issuing a fixed number of its own equity instruments in exchange for a variable amount of cash, the 'fixed-for-fixed' criterion for equity classification under AASB 132 has not been met. Consequently, the initial share component has been classified as an embedded derivative liability within the combined instrument.
- As the ability to convert the advance payment credit rests with Lind, rather than with the group, it is outside the control of the group. The group therefore does not have the ability to avoid the obligation of potentially issuing a variable number of shares. Similar to the above, this means the 'fixed-for-fixed' criterion has not been met, and the transaction is therefore accounted for as a financial liability under AASB 132.

The combined advance payment credit and initial share components are collectively referred to as the 'advance payment liability', and accounted for as a financial liability as shown in note 4(d). This is designated at fair value through profit or loss, in accordance with AASB 9 - Financial Instruments.

Measurement - options

The options have been measured at initial recognition and have not been subsequently remeasured. The valuation of the options was determined utilising a Binomial model .

The key assumptions used in the valuation were:

- Lind will redeem the advance payment liability at the agreement expiry date, being June 2027;
- The underlying share price is based on the closing share price of Chimeric as at the grant date;
- A risk-free rate of 3.92% has been applied, based on a 20-day average of long-term government bond yields as at the grant date; and
- A volatility rate of 64% has been applied, based on Chimeric's historical volatility and the volatility of comparable listed companies.

This resulted in a valuation of $0.682 million as at the grant date.

The key assumptions used in the valuation for the second tranche of options were:

- Expiry date is 48 months from signing the agreement, being December 2027;
- The underlying share price is based on the closing share price of Chimeric as at the grant date;
- A risk-free rate of 3.65% has been applied, based on a 20-day average of long-term government bond yields as at the grant date; and
- A volatility rate of 85% has been applied, based on Chimeric's historical volatility and the volatility of comparable listed companies.

This resulted in a valuation of $0.322 million as at the grant date. This has been recognised as a finance expense with a corresponding entry within other reserves. This has been recognised as a finance expense (note 2(d)) with a corresponding entry within other reserves (see note 6(b)).

Measurement - advance payment liability

The fair value of the advance payment liability at recognition was $3.4 million. This resulted in a deferred loss of $0.3 million, which has been recognised within other current assets on the statement of financial position, and which will be subsequently recognised on a straight line basis over the period of the advance payment liability.

## 8 Material estimates and judgements (continued)

### (b) Estimates (continued)

*(v) Lind share purchase agreement (continued)*

At 29 December 2023 when the amendment was signed, the group had to assess the amendment under AASB9 to determine the treatment of the advanced credit liability. The modification was assessed under two tests being the qualitative test which assesses whether there is a significant change in the terms and conditions such that immediate recognition is required with no additional quantitative analysis and the quantitative test which assesses the net present value of the cash flows under the new terms discounted at the original effective interest rate (EIR) is at least 10% different from the carrying amount of the original debt. This is described as the 100% test. As the quantitative test was passed, extinguishment accounting was applied which involved de-recognising the existing liability and recognising the new or modified liability at its fair value.

At 30 June 2024, the fair value of the advance payment liability was remeasured utilising a Monte-Carlo model.

## 9 Financial risk management

This note explains the group's exposure to financial risks and how these risks could affect the group's future financial performance.

The group's risk management is predominantly controlled by the board. The board monitors the group's financial risk management policies and exposures and approves substantial financial transactions. It also reviews the effectiveness of internal controls relating to market risk, credit risk and liquidity risk.

### (a) Market risk

*(i) Foreign exchange risk*

The group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange rate risk arises from financial assets and financial liabilities denominated in a currency that is not the group's functional currency. Exposure to foreign currency risk may result in the fair value of future cash flows of a financial instrument fluctuating due to the movement in foreign exchange rates of currencies in which the group holds financial instruments which are other than the Australian dollar (AUD) functional currency of the group. This risk is measured using sensitivity analysis and cash flow forecasting. The cost of hedging at this time outweighs any benefits that may be obtained.

*Exposure*

The group's exposure to foreign currency risk at the end of the reporting year, expressed in Australian dollar, was as follows:

| | **30 June 2024** | 30 June 2023 | |
|---|---|---|---|
| | **USD** | USD | GBP |
| | **$** | $ | $ |
| Cash and cash equivalents | **8,662** | 3,429 | - |
| Trade payables | **2,609,905** | 6,502,005 | 258,258 |
| **Total exposure** | **2,618,567** | **6,505,434** | **258,258** |

*Sensitivity*

As shown in the table above, the group is primarily exposed to changes in USD/AUD exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from United States dollar (USD) denominated financial instruments.

The group has conducted a sensitivity analysis of its exposure to foreign currency risk. The group is currently materially exposed to the (USD). The sensitivity analysis is conducted on a currency-by-currency basis using the sensitivity analysis variable, which is based on the average annual movement in exchange rates over the past five years at year-end spot rates. The variable for each currency the group is materially exposed to is listed below:

- USD: 4.8% (2023: 5.8%)
- GBP: 3.1% (2023: 3.5%)

## 9 Financial risk management (continued)

### (a) Market risk (continued)

*(i) Foreign exchange risk (continued)*

*Sensitivity (continued)*

| | Impact on post-tax loss | | Impact on other components of equity | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| | **$** | $ | **$** | $ |
| USD/AUD exchange rate - increase 4.8% (2023: 5.8%)* | **125,691** | 377,315 | **-** | - |
| GBP/AUD exchange rate - increase 3.1% (2023: 3.5%)* | **-** | 9,039 | **-** | - |

* Holding all other variables constant

*(ii) Cash flow and fair value interest rate risk*

The group's main interest rate risk arises from cash and cash equivalents held, which expose the group to cash flow interest rate risk. During 2024 and 2023, the group's cash and cash equivalents at variable rates were denominated in Australian dollars.

The group's exposure to interest rate risk at the end of the reporting year, expressed in Australian dollars, was as follows:

| | **2024** | 2023 |
|---|---|---|
| | **$** | $ |
| **Financial instruments with interest rate risk** | | |
| Cash and cash equivalents | **3,053,001** | 2,362,654 |
| Financial assets at amortised cost | **40,000** | 40,000 |
| | **3,093,001** | 2,402,654 |

*Sensitivity*

The group's exposure to interest rate risk at the end of the reporting year, expressed in Australian dollars, was as follows:

| | Impact on loss for the year | | Impact on other components of equity | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| | **$** | $ | **$** | $ |
| Interest rates - change by 467 basis points (2023: 318 basis points)* | **144,443** | 76,404 | **-** | - |

* Holding all other variables constant

The use of 4.67 percent (2023: 3.18 percent) was determined based on analysis of the Reserve Bank of Australia cash rate change, on an absolute value basis, at 30 June 2024 and the previous four balance dates. The average cash rate at these balance dates was 1.90 percent (2023: 1.28 percent). The average change to the cash rate between balance dates was 246.53 percent (2023: 247.99 percent). By multiplying these two values, the interest rate risk was derived.

## 9 Financial risk management (continued)

### (b) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the group.

There has been an increase in the group's exposure to credit risk in 2024 due to increased cash and cash equivalents. The group's exposure to other classes of financial assets with credit risk is not material.

*(i) Risk management*

Risk is minimised through investing cash and cash equivalents in financial institutions that maintain a high credit rating.

*(ii) Impairment of financial assets*

Cash and cash equivalents are also subject to the impairment requirements of AASB 9, and there was no identifiable impairment loss effecting cash and cash equivalents during the year.

### (c) Liquidity risk

Liquidity risk arises from the possibility that the group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The group manages this risk through the following mechanisms:

- preparing forward looking cash flow analyses in relation to its operating, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing cash and cash equivalents and deposits at call with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

*(i) Maturities of financial liabilities*

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

| **Contractual maturities of financial liabilities**<br><br>**At 30 June 2024** | **Less than 6 months**<br>**$** | **6 - 12 months**<br>**$** | **Between 1 and 2 years**<br>**$** | **Between 2 and 5 years**<br>**$** | **Over 5 years**<br>**$** | **Total contractual cash flows**<br>**$** | **Carrying amount (assets)/ liabilities**<br>**$** |
|---|---|---|---|---|---|---|---|
| Trade payables | **6,195,889** | **-** | **-** | **-** | **-** | **6,195,889** | **6,195,889** |
| Other financial liabilities | **312,515** | **-** | **3,670,314** | **428,893** | **1,888,875** | **6,300,597** | **6,300,597** |
| **Total** | **6,508,404** | **-** | **3,670,314** | **428,893** | **1,888,875** | **12,496,486** | **12,496,486** |
| | | | | | | | |
| At 30 June 2023 | | | | | | | |
| Trade payables | 10,812,516 | - | - | - | - | 10,812,516 | 10,812,516 |
| Other financial liabilities | - | 40,672 | 4,569,030 | 133,373 | 719,936 | 5,463,011 | 5,463,011 |
| **Total** | 10,812,516 | 40,672 | 4,569,030 | 133,373 | 719,936 | 16,275,527 | 16,275,527 |

## 10 Contingent consideration

### (a) CAR-T technology intellectual property

The group has the licence agreement with the City of Hope. The key financial terms of the licence agreement includes cash payments worth US$10 million. US$4 million was paid in the year ending 30 June 2021, US$3 million in the year ending 30 June 2022 ,US$1.5 million in the year ending 30 June 2023 and the final payment of US$1.5 million was paid in the year ending 30 June 2024. In addition, A$1.6m worth of shares in the group were issued to the City of Hope as part of the agreement. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below.

Management has determined the fair value of contingent consideration by assessing the probability of each milestone being achieved. Management's assessment of the probability is based on their experience and considering industry information on clinical trial success rates and related parameters.

The fair value is discounted as set out in note 8(b)(iv). The timeframe for discounting varies depending on the milestone, and is aligned with industry information on the length of time taken to conduct oncological clinical trials.

- **Development Milestone Payments:** Up to US$17.1m payable to the City of Hope upon meeting various milestones:

| Milestones | Requirements | Payment to City of Hope |
|---|---|---|
| 1. | Dosing of fifth patient in the first Phase 1 Clinical Trial anywhere in the Territory | US$0.35m |
| 2. | Dosing of first patient in the first Phase 2 Clinical Trial anywhere in the Territory | US$0.75m |
| 3. | Dosing of first patient in the first Phase 3 Clinical Trial anywhere in the Territory | US$2m |
| 4. | Receipt of the first Orphan Drug Designation for each Licensed Product or Licensed Service | US$1m |
| 5. | Upon Marketing Approval in the United States | US$6m |
| 6. | Upon Marketing Approval in Europe | US$6m |
| 7. | Upon Marketing Approval in each of the first five jurisdictions other than the United States and Europe for each applicable Licensed Product or Licensed Service | US$1m |

The fair value of the contingent consideration recognised on the statement of financial position as at 30 June 2024 was $1,326,152 (2023: $1,454,763).

- **Sales Milestone Payments:** Within 30 days after the occurrence of each sales milestone set forth below with respect to each Licensed Product or Licensed Service that achieves such Sales Milestone Event, the Company is required to pay City of Hope the amount indicated below, This has no effect on the figures reported as at 30 June 2024 (2023: none).

| Milestones | Sales Milestone Event | Payment to City of Hope |
|---|---|---|
| 1. | Upon Net Sales of Licenced Product or Licensed Service first totalling US$250 million in a Licence Year | US$18.75m |
| 2. | Upon Net Sales of Licenced Product or Licensed Service first totalling US$500 million in a Licence Year | US$35.5m |

## 10 Contingent consideration (continued)

### (a) CAR-T technology intellectual property (continued)

*(i) Royalties on net sales*

The group is obliged to pay City of Hope royalties on net sales based on industry standard single digit royalty rates. This has no effect on the figures reported as at 30 June 2024 (30 June 2023: none.)

### (b) CDH-17 intellectual property

The group has the licence agreement with University of Pennsylvania. The key financial terms of the licence agreement includes a payment of cash worth of US$350,000 which has been paid in the year ending 30 June 2022. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below.

Management has determined the fair value of contingent consideration by assessing the probability of each milestone being achieved. Management's assessment of the probability is based on their experience and considering industry information on clinical trial success rates and related parameters.

The fair value is discounted as set out in note 8(b)(iv). The timeframe for discounting varies depending on the milestone, and is aligned with industry information on the length of time taken to conduct oncological clinical trials.

- **Development Milestone Payments:** Up to US$59.825m payable in cash and either an additional US$5m or US$2m in relation to milestone 5 to University of Pennsylvania upon meeting various milestones:

| Milestones | Requirements | Payment to University of Pennsylvania |
|---|---|---|
| 1. | Initiation (FPFD) of the first Phase I or Phase I/II trial (but not both) | US$0.2m |
| 2. | Initiation (FPFD) of the first Phase II or Phase III trial (but not both) | US$0.875m |
| 3. | First Commercial Sale of a CAR Licensed Product in the US | US$10m |
| 4. | First Commercial Sale of a CAR Licensed Product in the EU | US$6.25m |
| 5. | First Commercial Sale of a CAR Licensed Product in Japan | US$5m if there is a Valid Claim in Japan or US$2M if there is no Valid Claim in Japan but prong (d) of the Product definition applies |
| 6. | Cumulative worldwide Net Sales in a calendar year of the first CAR Licensed Product reach $250 million | US$7.5m |
| 7. | Cumulative worldwide Net Sales in a calendar year of the first CAR Licensed Product reach $500 million | US$15m |
| 8. | Cumulative worldwide Net Sales in a calendar year of the first CAR Licensed Product reach $1 billion | US$20m |

The fair value of the contingent consideration recognised on the statement of financial position as at 30 June 2024 was $1,490,284 (2023: $467,823).

*(i) Royalties on net sales*

The group is obliged to pay University of Pennsylvania royalties on net sales based on industry standard single digit royalty rates. This has had no effect on the figures reported as at 30 June 2024 (30 June 2023: none).

## 10 Contingent consideration (continued)

### (c) CORE-NK intellectual property

The group has the licence agreement with Case Western Reserve University. The key financial terms of the licence agreement includes a payment of cash worth US$75,000 which has been paid and issued in the year ending 30 June 2022. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below.

Management has determined the fair value of contingent consideration by assessing the probability of each milestone being achieved. Management's assessment of the probability is based on their experience and considering industry information on clinical trial success rates and related parameters.

The fair value is discounted as set out in note 8(b)(iv). The timeframe for discounting varies depending on the milestone, and is aligned with industry information on the length of time taken to conduct oncological clinical trials.

- **Development Milestone Payments:** Up to US$2.11m payable to Case Western Reserve University upon meeting various milestones:

| Milestones | Requirements | Payable to Case Western Reserve University |
|---|---|---|
| 1. | Completion of first in vivo animal study | US$10k |
| 2. | First IND Clearance | US$50k |
| 3. | Initiate first Phase I Clinical Trial of a Licenced Product | US$100k |
| 4. | Initiate first Ph II/III (registration-enabling study) Clinical Trial of a Licensed Product | US$200k |
| 5. | Submission of first BLA to US FDA | US$250k |
| 6. | First Regulatory Approval of a Licenced Product | US$500k |
| 7. | First Commercial Sale | US$1m |

The fair value of the contingent consideration recognised on the statement of financial position as at 30 June 2024 was $202,202 (2023: $140,425).

## 11 Commitments

### (a) Research and development commitments

*(i) CAR-T technology intellectual property*

Under the Licence Agreement, a non-refundable annual licence fee is payable to the City of Hope of US$150,000. This is payable on or before 31 July of each Licence Year (excluding the first and second Licence Years ending 31 December 2020 and 31 December 2021, respectively). This fee is perpetual and US$150,000 is recorded as an expense in the statement of comprehensive income for the current year.

*(ii) CDH17 intellectual property*

Under the Licence Agreement, a non refundable annual licence fee is payable to University of Pennsylvania of US$20,000. This is payable beginning on the first anniversary of the effective date (21 July 2021) and payable annually until Licensee's payment of royalties or upon termination of the Agreement. US$20,000 is recorded as an expense in the statement of comprehensive income for the current year.

*(iii) CORE-NK intellectual property*

Under the Licence Agreement, a non refundable annual licence fee is payable to Case Western Reserve University of US$10,000. This is payable beginning on the second anniversary of the effective date (17 November 2022) and payable annually until Licensee's payment of royalties or upon termination of the Agreement. No amount has been recorded as an expense in the statement of comprehensive income for the current year.

## 12 Events occurring after the reporting year

On 31 July 2024, Eliot Bourk resigned as the Chief Business Officer of the group.

On 21 October 2024, the group announced that they had raised approximately $5 million from the issue of 625 million shares at $0.008 per share. Under the placement 69.99 million shares will be issued under the group's placement capacity with the remainder subject to shareholder approval. In addition to the shares issues, each investor will receive a short term option that has an exercise price of $0.008 and expires on 31 December 2025.

No other matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group or economic entity in subsequent financial years.

## 13 Capital management

### (a) Risk management

The group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may issue new shares or reduce its capital, subject to the provisions of the group's constitution. The capital structure of the group consists of equity attributed to equity holders of the group, comprising contributed equity, reserves and accumulated losses. By monitoring undiscounted cash flow forecasts and actual cash flows provided to the board by the group's management, the board monitors the need to raise additional equity from the equity markets.

### (b) Dividends

No dividends were declared or paid to members for the year ended 30 June 2024 (30 June 2023: nil). The group's franking account balance was nil at 30 June 2024 (30 June 2023: nil).

## 14 Related party transactions

### (a) Key management personnel compensation

| | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|
| Short-term employee benefits | **3,898,641** | 3,350,778 |
| Post-employment benefits | **55,686** | 98,016 |
| Long-term benefits | **46,363** | 199,791 |
| Share-based payments | **830,723** | 2,601,268 |
| | **4,831,413** | 6,249,853 |

Detailed remuneration disclosures are provided in the remuneration report on pages 24 to 35.

### (b) Transactions with key management personnel

The following transactions occurred with key management personnel:

| | **30 June 2024 $** | 30 June 2023 $ |
|---|---|---|
| *Other transactions* | | |
| Forfeiture payments and shares expense to key management personnel | **90,588** | 258,301 |
| Payments to director related entities | **498,859** | - |
| **Total** | **589,447** | **258,301** |

*(i) Forfeiture payments expense to key management personal*

The group has entered agreements to pay employees for forfeiture of long-term incentives with their former employment. At 30 June 2024 the group had paid all forfeiture payments.

*(ii) Payments to director related entities*

In the fiscal year of 2024, the Acclime Group invoiced Chimeric for professional services such as financial reporting, capital management, company secretarial, accounting, bookkeeping, and payroll activities, amounting to A$498,859. Mr. Hains, a Director of Acclime Australia, assumed the role of Director of Chimeric in July 2023.

## 15 Share-based payments

### (a) Employee Option Plan and other share options

The establishment of the Omnibus Incentive Plan (OIP) was approved by shareholders at the annual general meeting held on 22 November 2021, and was subject to shareholder approval at the 2022 annual general meeting. The plan is designed to provide long-term incentives for employees (including directors) to deliver long-term shareholder returns. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The options vesting conditions are based on the achievement of service milestones, which are achieved if the holder remains with the group until the date is reached. There are no performance based milestones attached to any of the below options.

Set out below are summaries of all listed and unlisted options, issued under OIP:

| | **2024** | | 2023 | |
|---|---|---|---|---|
| | **Weighted average exercise price per share option** | **Number of options** | Weighted average exercise price per share option | Number of options |
| As at 1 July | **$0.18** | **55,964,626** | $0.26 | 27,351,537 |
| Granted during the year | **$0.04** | **67,862,701** | $0.10 | 28,613,089 |
| Forfeited/lapsed during the year | **$0.13** | **(40,631,901)** | - | - |
| As at 30 June | **$0.08** | **83,195,426** | $0.18 | 55,964,626 |
| Vested and exercisable at 30 June | **$0.16** | **29,514,754** | $0.25 | 18,352,464 |

## 15 Share-based payments (continued)

### (a) Employee Option Plan and other share options (continued)

Share options issued under OIP outstanding at the end of the year have the following expiry date and exercise prices:

| Grant date | Expiry date | Exercise price ($) | Share options 30 June 2024 | Share options 30 June 2023 |
|---|---|---|---|---|
| 2020-08-28 | 2025-01-18 | 0.20 | 2,750,000 | 5,500,000 |
| 2020-11-30 | 2026-01-18 | 0.20 | 6,280,002 | 6,280,002 |
| 2021-02-01 | 2025-01-18 | 0.32 | - | 2,750,000 |
| 2021-03-08 | 2026-03-08 | 0.29 | 695,552 | 695,552 |
| 2021-07-01 | 2026-07-01 | 0.29 | - | 700,000 |
| 2021-07-05 | 2025-12-03 | 0.37 | - | 2,750,000 |
| 2021-08-27 | 2026-08-27 | 0.29 | 1,570,747 | 2,241,378 |
| 2021-08-27 | 2026-08-27 | 0.32 | 1,000,000 | 1,000,000 |
| 2021-11-22 | 2026-11-22 | 0.34 | 1,333,334 | 2,000,000 |
| 2021-11-29 | 2027-11-29 | 0.26 | - | 101,314 |
| 2021-11-29 | 2028-11-29 | 0.26 | - | 101,314 |
| 2021-11-29 | 2029-11-29 | 0.26 | - | 101,345 |
| 2021-12-22 | 2025-12-22 | 0.26 | 400,000 | 400,000 |
| 2022-01-01 | 2027-01-01 | 0.23 | 2,000,000 | 2,000,000 |
| 2022-01-25 | 2028-07-31 | 0.26 | 237,770 | 237,770 |
| 2022-01-25 | 2029-01-31 | 0.26 | 237,698 | 237,698 |
| 2022-01-25 | 2030-01-31 | 0.26 | 237,698 | 237,698 |
| 2022-01-26 | 2028-09-07 | 0.15 | - | 67,238 |
| 2022-07-01 | 2027-07-01 | 0.09 | 4,605,049 | 7,681,946 |
| 2022-08-22 | 2027-08-22 | 0.19 | 433,899 | 433,899 |
| 2022-11-18 | 2027-07-01 | 0.09 | 5,740,215 | 17,222,368 |
| 2022-10-17 | 2028-10-31 | 0.09 | - | 274,876 |
| 2023-07-01 | 2028-07-01 | 0.038 | 29,973,234 | - |
| 2023-11-14 | 2028-08-30 | 0.037 | 2,750,000 | - |
| 2024-05-01 | 2029-05-01 | 0.0435 | 20,000,000 | - |
| Total | | | 80,245,198 | 53,014,398 |

The following options were granted outside of the OIP plan, vesting immediately upon issue. The outstanding balance at the end of the year is detailed below:

| Grant date | Expiry date | Exercise price ($) | Share options 30 June 2024 | Share options 30 June 2023 |
|---|---|---|---|---|
| 2021-01-18 | 2024-01-18 | 0.30 | - | 4,957,897 |
| 2022-03-25 | 2024-03-31 | 0.26 | - | 83,020,927 |
| 2022-06-09 | 2024-03-31 | 0.26 | - | 15,000,000 |
| 2023-06-29 | 2026-07-12 | 0.10 | 4,500,000 | 4,500,000 |
| 2023-06-22 | 2028-06-22 | 0.046 | 41,891,892 | 41,891,892 |
| 2023-11-13 | 2028-07-01 | 0.038 | 15,000,000 | - |
| 2023-12-29 | 2029-12-29 | 0.036 | 17,241,379 | - |
| Total | | | 78,633,271 | 149,370,716 |

## 15 Share-based payments (continued)

### (a) Employee Option Plan and other share options (continued)

| | | |
|---|---|---|
| Weighted average remaining contractual life of options outstanding at end of year | 3.67 | 3.32 |

*(i) Fair value of options granted*

The assessed fair value of options at grant date was determined using the Black-Scholes option pricing model that takes into account the exercise price, term of the option, security price at grant date and expected price volatility of the underlying security, the expected dividend yield, the risk-free interest rate for the term of the security and certain probability assumptions.

The model inputs for options granted during the year ended 30 June 2024 included:

| Grant date | Expiry date | Exercise price ($) | No. of options | Share price at grant date ($) | Expected volatility | Dividend yield | Risk- free interest rate | Fair value at grant date ($) |
|---|---|---|---|---|---|---|---|---|
| 2023-07-01 | 2028-07-01 | 0.038 | 29,973,234 | 0.038 | 100% | 0.00% | 3.95% | 914,182 |
| 2023-11-13 | 2028-07-01 | 0.038 | 15,000,000 | 0.03 | 100% | 0.00% | 3.97% | 316,500 |
| 2023-11-14 | 2028-08-30 | 0.037 | 2,750,000 | 0.03 | 100% | 0.00% | 3.97% | 58,851 |
| 2023-12-29 | 2029-12-29 | 0.036 | 17,241,379 | 0.035 | | 0.00% | | 321,698 |
| 2024-05-01 | 2029-05-01 | 0.0435 | 20,000,000 | 0.027 | 100% | 0.00% | 3.89% | 434,000 |
| | | | **84,964,613** | | | | | |

The 17,241,379 options were issued as part of the Lind share purchase agreement detailed in note 8(b)(v). For the reasons set out in that note, the expense associated with this has been recognised as a finance expense (note 2(d)).

### (b) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year were as follows:

| | **2024** | 2023 |
|---|---|---|
| | **$** | $ |
| Options issued under employee option plan | **411,188** | 2,331,933 |

## 16 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

**(a) Grant Thornton Audit Pty Limited**

*(i) Audit and other assurance services*

| | **2024** | 2023 |
|---|---|---|
| | **$** | $ |
| Audit and review of financial statements | **253,430** | 272,250 |
| Other assurance services | **-** | 90,850 |
| Total remuneration for audit and other assurance services | **253,430** | 363,100 |

**(b) Grant Thornton Australia Limited**

*(i) Taxation services*

| | | |
|---|---|---|
| Tax compliance services | **-** | 27,828 |
| Total remuneration for taxation services | **-** | 27,828 |
| **Total auditors' remuneration** | **253,430** | 390,928 |

## 17 Loss per share

**(a) Reconciliations of earnings used in calculating loss per share**

| | **30 June 2024** | 30 June 2023 |
|---|---|---|
| | **$** | $ |
| *Basic and diluted loss per share* | | |
| Loss attributable to the ordinary equity holders of the group used in calculating loss per share: | | |
| From continuing operations | **12,529,849** | 25,916,890 |

**(b) Weighted average number of shares used as the denominator**

| | **2024** | 2023 |
|---|---|---|
| | **Number** | Number |
| Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share | **695,639,524** | 433,244,540 |

On the basis of the group's losses, the outstanding options as at 30 June 2024 are considered to be anti-dilutive and therefore were excluded from the diluted weighted average number of ordinary shares calculation.

## 18 Interests in other entities

### (a) Subsidiaries

The group's subsidiaries at 30 June 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

| Name of entity | Place of business/ country of incorporation | Ownership interest held by the group | |
|---|---|---|---|
| | | **2024** | 2023 |
| | | **%** | % |
| Chimeric Therapeutics Inc | United States | **100** | 100 |

## 19 Parent entity financial information

### (a) Summary financial information

The individual financial statements for the parent entity shows the following aggregate amounts:

| | **2024** **$** | 2023 $ |
|---|---|---|
| Balance sheet | | |
| Current assets | **3,217,549** | 9,351,353 |
| Non-current assets | **11,075,013** | 12,447,599 |
| Total assets | **14,292,562** | 21,798,952 |
| Current liabilities | **9,591,168** | 13,979,962 |
| Non-current liabilities | **2,706,171** | 2,022,339 |
| Total liabilities | **12,297,339** | 16,002,301 |
| *Shareholders' equity* | | |
| Share capital | **63,510,730** | 53,929,488 |
| Reserves | | |
| Share-based payments | **5,732,196** | 7,433,916 |
| Other reserves | **116,413** | 1,390,951 |
| Retained earnings | **(67,364,116)** | (56,957,704) |
| | **1,995,223** | 5,796,651 |
| **Loss for the year** | **13,157,517** | 26,298,677 |
| **Total comprehensive loss** | **13,157,517** | 26,298,677 |

### (b) Guarantees entered into by the parent entity

The parent entity has not entered into any guarantees in relation to debts of its subsidiaries in the year ended 30 June 2024 (2023: nil).

### (c) Contingent liabilities of the parent entity

The parent entity had contingent liabilities at 30 June 2024 and 30 June 2023 identical to those of the group, as outlined in note 10.

### (d) Contractual commitments for the acquisition of property, plant or equipment

The parent entity has not entered into any contractual commitments for the acquisition of property, plant or equipment in the year ended 30 June 2024 (2023: nil).

### (e) Determining the parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

*(i) Investments in subsidiaries, associates and joint venture entities*

Investments in subsidiaries are accounted for at cost in the financial statements of Chimeric Therapeutics Limited.

## Contents of the summary of material accounting policies

## 20 Summary of material accounting policies

### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Chimeric Therapeutics Limited is a for-profit entity for the purpose of preparing the financial statements.

*(i) Compliance with IFRS*

The financial statements of the Chimeric Therapeutics Limited group also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

*(ii) Historical cost convention*

The financial statements has been prepared on a historical cost basis except for financial instruments at fair value.

*(iii) Going concern*

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

For the year ended 30 June 2024, the group was in a net loss position of $12,529,849 (2023: $25,916,890 and had net assets of $2,470,068 at 30 June 2024 (2023: $5,660,716).

The need to raise additional capital gives rise to a material uncertainty, which may cast significant doubt over the group's ability to continue as a going concern. The Board is assessing capital sources with advisors, including a placement to sophisticated and professional investors and other options.

The directors believe that the group can raise capital as required based on the success of previous capital raises and the continued development of the group's projects.

On 18 October 2024, the group announced that they had raised approximately $5 million from the issue of 625 million shares at $0.008 per share. Under the placement 69.99 million shares will be issued under the group's placement capacity with the remainder subject to shareholder approval. In addition to the shares issues, each investor will receive a short term option that has an exercise price of $0.008 and expires 1 year from grant date.

The group anticipates raising a further $5 million from the exercise of the placement options in early 2025 and raising further funding at the end of the financial year to help accelerate their research progression.

Additionally, the group has the ability to employ cash management strategies such as delaying or reducing some operating activities.

Based on the above, the directors are satisfied that the group has access to sufficient sources of funding to meet its commitments over the next 12 months, and it is for that reason the financial statements have been prepared on the basis that the group is a going concern.

Should the group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to the amounts and classification of liabilities that might be necessarily incurred should the group not continue as a going concern.

*(iv) New and amended standards adopted by the group*

There are no new accounting standards or interpretations that would be expected to have a material impact on the group in the current or future reporting years and on foreseeable future transactions.

*(v) New standards and interpretations not yet adopted*

There are no new standards and interpretations that are not yet effective and that would be expected to have a material impact on the group in the current or future reporting years and on foreseeable future transactions.

## 20 Summary of material accounting policies (continued)

### (b) Principles of consolidation and equity accounting

*(i) Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

### (c) Foreign currency translation

*(i) Functional and presentation currency*

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements is presented in the Australian dollar ($), which is Chimeric Therapeutics Limited's functional and presentation currency. The subsidiary of Chimeric Therapeutics Limited; Chimeric Therapeutics (USA) Inc uses USD as their functional currency. Upon consolidation, these USD amounts are converted to AUD for use in this report.

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income on a net basis within finance income.

### (d) R&D rebate

The group's research and development (R&D) activities are eligible under an Australian government tax incentive for eligible expenditure. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. Amounts are recognised when it has been established that the conditions of the tax incentive have been met, the expected amount can be reliably measured and there is reasonable assurance the amount will be received.

### (e) Impairment of assets

Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting year.

## 20 Summary of material accounting policies (continued)

### (f) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### (g) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one year to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

### (h) Investments and other financial assets

*(i) Classification*

The group classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

*(ii) Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

## 20 Summary of material accounting policies (continued)

### (h) Investments and other financial assets (continued)

*(iii) Measurement*

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

*Financial instruments*

Subsequent measurement of financial instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its financial instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the year in which it arises.

*(iv) Impairment*

The group assesses on a forward looking basis the expected credit losses associated with its financial instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### (i) Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and where applicable adjusted for transaction costs unless the group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

### (j) Derecognition and modification of financial liabilities

Modifications were made in the current year to the value of advance payment liabilities. Management reviewed the qualitative and quantitative aspects of the changes made to consider whether they represented substantial modifications that required the extinguishment of the existing liability and recognition of a new liability.

## 20 Summary of material accounting policies (continued)

### (k) Intangible assets

Intangible assets are initially measured at cost. Following initial recognition, intangible assets are carried at historical cost, less any accumulated amortisation and impairment losses. The useful lives of intangible assets that are available for use are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication of impairment. Amortisation methods and periods for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation method and/or period, as appropriate, which is a change in accounting estimate and applied prospectively. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss and other comprehensive income.

*(i) Acquisition of intangible assets*

The group has applied judgement in determining the accounting treatment for the acquisition of license agreements. License agreements have been determined to be stand alone transactions, independent from any other agreement entered between the group and the licensor.

Future changes to probability of milestones becoming payable in subsequent periods will be captured in the consolidated statement of profit or loss and other comprehensive income.

Contingent consideration on the acquisition of intangible assets is measured at FVPL. Future changes to probability of milestones becoming payable in subsequent periods, and other changes which impact on the fair value of contingent consideration, will be captured in the consolidated statement of profit or loss and other comprehensive income.

*(ii) Research and development*

Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the consolidated statement of profit or loss and other comprehensive income as an expense when it is incurred.

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if it is probable that the product or service is technically and commercially feasible, will generate probable economic benefits, adequate resources are available to complete development and cost can be measured reliably. Other development expenditure is recognised in the consolidated statement of profit or loss and other comprehensive income as an expense as incurred.

*(iii) Amortisation methods and useful lives*

Management has assessed capitalised patents, licences and other rights as available for their intended use. These assets are amortised on a straight-line basis over the period of their expected benefit.

### (l) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## 20 Summary of material accounting policies (continued)

### (m) Employee benefits

*(i) Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

*(ii) Share-based payments*

Share-based compensation benefits are provided to employees via the OIP, an employee share scheme and the executive short-term incentive scheme. Information relating to these schemes is set out in note 15.

*Employee options*

The fair value of options granted under the Omnibus Incentive Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (eg the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (eg profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (eg the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each year, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

*(iii) Forfeiture payments*

The group has incurred liabilities for forfeiture payments relating to the forfeiture of long-term incentive with their former employment. Costs are discounted using RBA risk-free rates based on the years until payment from the employees commencement date. The total expense is recognised over the vesting period, which is the period between the commencement of the employee and the date the payment is due. Once vested, the employee will be issued shares or a payment based on their contract, however should they leave before the vesting date is met, the payments will be forfeited and liability reversed.

### (n) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### (o) Loss per share

*(i) Basic loss per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group, excluding any costs of servicing equity other than ordinary shares

## 20 Summary of material accounting policies (continued)

### (o) Loss per share (continued)

*(i) Basic loss per share (continued)*

- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

*(ii) Diluted loss per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

### (p) Rounding of amounts

The group is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

# Consolidated Entity Disclosure Statement

| Name of entity | Type of entity | Trustee, partner, or participant in joint venture | % of share capital held | Country of incorporation | Australian resident or foreign resident (for tax purposes) | Foreign tax jurisdiction(s) of foreign residents |
|---|---|---|---|---|---|---|
| Chimeric Therapeutics Limited | Body Corporate | n/a | n/a | Australia | Australia | n/a |
| Chimeric Therapeutics (USA) Inc | Body corporate | n/a | 100% | United States | Foreign resident | United States |

## Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

## Determination of Tax Residency

Section 295 (3A) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

### Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

### Foreign tax residency

Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

**In the directors' opinion:**

(a) the financial statements and notes set out on pages 42 to 93 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, and

(c) the consolidated entity disclosure statement on page 94 is true and correct.

Note 20(a) confirms that the financial statements also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of directors.

Mr Paul Hopper
Executive Chairman

Sydney
21 October 2024

# Independent auditor's report to the members

**Grant Thornton Audit Pty Ltd**
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

# Independent Auditor's Report

## To the Members of Chimeric Therapeutics Limited

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Chimeric Therapeutics Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Material uncertainty related to going concern

We draw attention to Note 20a(iii) in the financial statements, which indicates that the Group incurred a net loss of $12,529,849 during the year ended 30 June 2024 (2023: $25,916,890), and had net assets of $2,470,068 at 30 June 2024 (2023: $5,660,716). As stated in Note 20a(iii), these events or conditions, along with other matters as set forth in Note 20a(iii), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Intangible asset impairment – Notes 5(a)(i)(ii)(iii), 8(a) and 20(k)** | |
| The Group has acquired licenses associated with the development and commercialisation of oncology products for diagnostic and therapeutic uses, totalling $12 million as at June 2024.<br><br>In accordance with AASB 136 *Impairment of Assets*, management is required to assess at each reporting date if there are any indicators of impairment which may suggest the carrying value is in excess of the recoverable value.<br><br>There is significant judgement in determining the appropriate approach to measuring recoverable value, and significant estimation involved in determining the amount.<br><br>We have determined this is a key audit matter due to the financial significance of this asset class in the statement of financial position, the significant judgement involved in the impairment indicator analysis and the judgement and estimation involved in the subsequent impairment assessment. | Our procedures included, amongst others:<br><br>• Obtaining a detailed understanding of the underlying processes for the intangible asset impairment process, through discussion with individuals across the organisation and review of relevant documentation;<br><br>• Holding discussions with the Chief Medical Officer ('CMO') to confirm project status and to identify potential internal indicators of impairment;<br><br>• Assessing the adequacy of the work of management's expert, including their competence and objectivity;<br><br>• Validating the appropriateness of management's determination of the asset's useful life;<br><br>• Obtaining management's impairment indicator analysis and assessing reasonableness through review of public information and discussions with management;<br><br>• Considering if there are any other indicators of impairment (such as results of recent trials or changes in factors that underpinned the initial valuation of the assets) and other qualitative considerations (e.g. market valuation of the company compared to its net assets, recent clinical trial results, other public information available or press releases); and<br><br>• Assessing whether the disclosures in the financial statements, including of critical judgements and estimates, are appropriate. |

**Lind share purchase agreement – Notes 2(b), 2(d) 4(c), 4(e), 6(a), 6(b)(ii), 8(b)(v), 15(a) and 20(i), 20(j)**

On 23 June 2023, CHM announced that it had secured $12.6m through a 'Securities Purchase Plan' and a share placement agreement. These arrangements are accounted for under *AASB 9 – Financial Instruments*.

Additionally, on 29 December 2023, Chimeric entered into an amendment to the share subscription agreement with Lind Global II LP.

The key terms of this agreement are as follows:

- Lind pays an advanced amount of $1 million to Chimeric;
- advanced payment credit of $1.1 million which Lind can use during the duration of the agreement to subscribe to additional shares, or adjusting the liability; and
- 17,241,379 irredeemable options, granting Lind the right to purchase one share per option at the exercise price of $.036 per share within 48 months of the grant date.

The balance as at 30 June 2024 is $3,281,959 (2023: $3,400,000)

The amendment was evaluated under AASB 9 to determine if it qualifies as a substantial modification by examining the fair value movement through both qualitative and quantitative tests.

We have determined this is a key audit matter due to the significant judgement involved in determining the appropriate accounting for the agreement and the valuation to be applied to the financial instruments under AASB 9.

Our procedures included, amongst others:

- Obtaining a detailed understanding of the underlying processes for valuing the financial instruments, through discussion with individuals across the organisation and review of relevant documentation;
- Assessing the design and implementation of relevant control(s) in relation to determining the valuation of Financial Instruments at the year-end;
- Developing an understanding of the model, identifying and assessing the key assumptions in the calculation;
- Obtaining and reviewing the assessment of classification and valuation provided by management's expert, assessing the adequacy of their work, including their competence and objectivity;
- Obtaining and evaluating management's assessment of the Lind note amendment under *AASB 9;*
- Engaging internal experts to review the reasonableness of the calculation provided by management and;
- Assessing whether management's estimate regarding the valuation of the financial instruments is reasonable and supportable,
- Engaging internal experts to review the reasonableness of the valuation provided by management; and
- Assessing whether the disclosures in the financial statements, including on critical judgements and estimates, are appropriate.

## Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.

## Responsibilities of the Directors for the financial report

The Directors of the Group are responsible for the preparation of:

a the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and

b the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf. This description forms part of our auditor's report.

### Report on the remuneration report

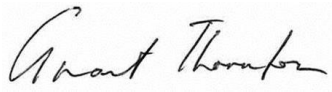
#### Opinion on the remuneration report

We have audited the Remuneration Report included in pages 24 to 35 of the Directors' report for the year ended 30 June 2024

In our opinion, the Remuneration Report of Chimeric Therapeutics Limited, for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The Directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Grant Thornton Audit Pty Ltd
Chartered Accountants

M A Cunningham
Partner – Audit & Assurance

Melbourne, 21 October 2024

# Shareholder information

The shareholder information set out below was applicable as at 21 September 2024.

**A. Distribution of equity securities**

Analysis of numbers of equity security holders by size of holding:

| | Class of equity security | | | |
|---|---|---|---|---|
| | Ordinary shares | | | |
| **Holding** | **No. of holders (shares)** | **Shares** | **No. of holders (options)** | **Options** |
| 1 - 1000 | 57 | 10,512 | - | - |
| 1,001 - 5,000 | 753 | 2,142,163 | - | - |
| 5,001 - 10,000 | 420 | 3,349,286 | - | - |
| 10,001 - 100,000 | 1,557 | 64,134,529 | 3 | 229,885 |
| 100,001 and over | 59 | 835,513,357 | 56 | 179,860,267 |
| | 2,846 | 905,149,847 | 59 | 180,090,152 |

There were 2,102 holders of less than a marketable parcel of ordinary shares.

**B. Equity security holders**

*Twenty largest quoted equity security holders*

The names of the twenty largest holders of quoted equity securities are listed below:

| **Name** | **Ordinary shares** | |
|---|---|---|
| | **Number held** | **Percentage of issued shares** |
| J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 78,532,782 | 8.68 |
| LIND GLOBAL FUND II LP | 21,676,135 | 2.40 |
| MR EVANGELOS KALAFATAS | 19,068,488 | 2.11 |
| ZERRIN INVESTMENTS PTY LTD | 17,600,001 | 1.94 |
| SOLIUM NOMINEES (AUSTRALIA) PTY LTD | 17,069,307 | 1.89 |
| BNP PARIBAS NOMINEES PTY LTD | 16,936,847 | 1.87 |
| KILINWATA INVESTMENTS PTY LTD | 15,984,654 | 1.77 |
| KAMALA HOLDINGS PTY LTD | 14,500,000 | 1.60 |
| CHRISTINE BROWN | 12,163,170 | 1.34 |
| VALENTINO TRADING PTY LTD | 12,000,000 | 1.33 |
| PALM BEACH NOMINEES PTY LIMITED | 11,724,758 | 1.30 |
| MICHAEL E BARISH | 11,522,634 | 1.27 |
| MR LUBOMIR HARALAMBEV & MRS EMILIA SOTIROVA-HARALAMBEVA | 10,000,000 | 1.10 |
| AUSTRALIAN DIRECT INVESTMENTS PTY LIMITED | 9,969,684 | 1.10 |
| MR MARK DESMOND SIMPSON | 9,349,593 | 1.03 |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 9,174,139 | 1.01 |
| SYRAX INVESTMENTS PTY LTD | 9,000,000 | 0.99 |
| MBANTUA HOLDINGS PTY LTD | 8,500,000 | 0.94 |
| SCARLETT AUGUSTA HOPPER | 8,295,120 | 0.92 |
| MR TIM BENSLEY & MS JENNY JIAER ZHANG | 7,509,562 | 0.83 |
| | 320,576,874 | 35.42 |

**B. Equity security holders (continued)**

*Unquoted equity securities*

| | Number on issue | Number of holders |
|---|---|---|
| Options over ordinary shares issued | 180,090,152 | 8 |

The following holders have unquoted options each representing more than 20% of these securities:

- Lind: 59,133,271

**C. Substantial holders**

Substantial holders in the group are set out below:

| | Number held | Percentage |
|---|---|---|
| Paul Hopper | 84,137,432 | 17.78% |

Substantial holdings are based on the last notice for each holder lodged on the Australian Securities Exchange (ASX).

**D. Voting rights**

The voting rights attaching to each class of equity securities are set out below:

(a) Ordinary shares: On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Options: No voting rights.

**E. Securities subject to voluntary escrow**

The are no securities subject to escrow.

Phone +61 3 98245254
Email info@chimerictherapeutics.com

**Chimeric Therapeutics Limited**

ACN 638 835 828

**ASX: CHM**

CHIMERIC THERAPEUTICS