

Bicycle

Bicycle Therapeutics plc

Annual Report and financial statements

for the year ended 31 December 2025

Company No: 11036004

Bicycle Therapeutics plc
Annual report and financial statements
for the year ended 31 December 2025

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General Information

Directors

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Strategic Report

Introduction

Bicycle Therapeutics plc (the “Parent Company”) on behalf of itself and its subsidiaries, BicycleTx Limited, BicycleRD Limited and Bicycle Therapeutics Inc. (which together may be referred to as the “Company”, “Bicycle”, “we”, “us” or “our”), is required to produce a strategic report complying with the requirements of the Companies Act 2006 (Strategic Report and Directors’ Report) Regulations 2013 (the “Regulations”) for the year ended 31 December 2025. Bicycle also filed with the U.S. Securities and Exchange Commission (the “SEC”) its Annual Report on Form 10-K for the year ended 31 December 2025 (the “Form 10-K”) on 17 March 2026, which contains additional disclosures regarding some of the matters discussed in this report.

Principal activities

We carry out research and development activities developing novel bicyclic peptides and have offices in both Cambridge, U.K. and Massachusetts, U.S.

Since 28 May 2019 the Parent Company has had American Depositary Shares representing its ordinary shares (“ADSs”) traded on The Nasdaq Stock Market (“NASDAQ”) in the U.S.

Business overview

We are a clinical-stage pharmaceutical company developing a novel class of medicines, which we refer to as Bicycle[®] molecules, for diseases that are underserved by existing therapeutics. Bicycle molecules are fully synthetic short peptides constrained to form two loops which stabilise their structural geometry. This constraint facilitates target binding with high affinity and selectivity, making Bicycle molecules attractive candidates for drug development. Bicycle molecules are a unique therapeutic modality combining the pharmacology usually associated with a biologic with the manufacturing and pharmacokinetic, or PK, properties of a small molecule. The relatively large surface area presented by Bicycle molecules allows targets to be drugged that have historically been intractable to non-biological approaches. Bicycle molecules are excreted by the kidney rather than the liver and have shown no significant signs of immunogenicity to date, qualities which we believe explain the molecules’ favourable toxicological profile.

We have a novel and proprietary phage display screening platform which we use to identify Bicycle molecules in an efficient manner. The platform initially displays linear peptides on the surface of engineered bacteriophages, or phages, before “on-phage” cyclisation with a range of small molecule scaffolds which can confer differentiated physicochemical and structural properties. Our platform encodes quintillions of potential Bicycle molecules which can be screened to identify molecules for optimisation to potential product candidates. We have used this powerful screening technology to identify our current portfolio of candidates in oncology and intend to use it in conjunction with our collaborators to seek to develop additional future candidates across a range of other disease areas.

Our internal programs are focused on oncology indications with high unmet medical need. Our product candidate, nuzefatide pevedotin, formerly BT5528, is a Bicycle Drug Conjugate, or a BDC[®] molecule, whereby the Bicycle molecule is chemically attached to a toxin that, when administered, is cleaved from the Bicycle molecule and kills the tumor cells. We are evaluating nuzefatide pevedotin, a BDC molecule targeting Ephrin type A receptor 2, or EphA2, in both an ongoing company-sponsored Phase I/II clinical trial to assess safety, pharmacokinetics and clinical activity in patients with advanced solid tumors and an ongoing company-sponsored Phase II clinical trial to evaluate the efficacy, safety and pharmacokinetics of nuzefatide pevedotin in adult patients with recurrent metastatic pancreatic ductal adenocarcinoma after progression on a first-line therapy, which commenced recruiting patients in the first quarter of 2026. We are also developing BT1702, a Bicycle Radioconjugate, or BRC[®], molecule targeting Membrane Type 1 matrix metalloproteinase, or MT1-MMP, and carrying a lead-212, or 212Pb, radioisotope payload for theranostic use. We are currently conducting Investigational New Drug application, or IND, -enabling activities for BT1702. We are also developing Bicycle Imaging Agents, or BIA molecules. In a BIA molecule, a Bicycle molecule is linked to a chelated radiopharmaceutical imaging agent. We are using BIA molecules to potentially derisk novel targets prior to further clinical development and to efficiently triage cancer indications for

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subsequent treatment with both BRC and BDC molecules. Our discovery pipeline in oncology includes next-generation BDC molecules, BRC molecules and BIA molecules.

Zelenectide pevedotin, a BDC molecule targeting Nectin-4, is being evaluated in an ongoing company-sponsored Phase I/II clinical trial to assess the safety, pharmacokinetics and clinical activity in patients with Nectin-4 expressing advanced malignancies, an ongoing Phase II/III registrational trial called Duravelo-2 evaluating zelenectide pevedotin in patients with untreated and previously treated metastatic urothelial cancer and in ongoing company-sponsored Phase I/II clinical trials to assess the efficacy and safety of zelenectide pevedotin in patients with NECTIN4 amplified advanced breast cancer and NECTIN4 amplified advanced or metastatic non-small cell lung cancer, which commenced recruiting patients in the first and third quarters of 2025, respectively. In March 2026, we announced the strategic reprioritisation of our clinical portfolio to focus on our promising pipeline of next-generation therapeutics, including nuzefatide pevedotin as well as next-generation Bicycle conjugates, including BRC molecules. While dose selection data from the clinical trial for zelenectide pevedotin are promising, demonstrating response rates comparable to published rates for existing standards of care and a differentiated safety profile, we plan to convert the Phase II/III Duravelo-2 registrational trial to a randomised Phase II clinical trial and deprioritise the program for internal development while we evaluate next steps for zelenectide pevedotin following preliminary feedback from regulatory agencies. In addition, as part of the strategic reprioritisation, we plan to discontinue the Phase I/II clinical trials evaluating zelenectide pevedotin in patients with NECTIN4 amplified advanced breast cancer and NECTIN4 amplified advanced or metastatic non-small cell lung cancer. Further enrollment in these trials will be closed and patients already enrolled will complete their course of treatment. In conjunction with our strategic reprioritisation, we are implementing a proposed workforce reduction of approximately 30% of our workforce. Together, the workforce reduction and strategic reprioritisation are expected to reduce our annual operating expenses by approximately 50% based on our current plans.

Our other product candidate, BT7480, is a Bicycle Tumor-Targeted Immune Cell Agonist®, or Bicycle TICA® molecule. A Bicycle TICA molecule links immune cell receptor binding Bicycle molecules to tumor antigen binding Bicycle molecules. BT7480, a Bicycle TICA molecule targeting Nectin-4 and agonising CD137, is being evaluated in a company-sponsored Phase I/II clinical trial. After reporting certain data from the clinical trial in the first half of 2026, we will no longer develop BT7480 internally and intend to explore partnership opportunities for future development.

Beyond our wholly owned oncology portfolio, we are collaborating with biopharmaceutical companies and organisations in additional therapeutic areas in which we believe our proprietary Bicycle screening platform can identify therapies to treat diseases with significant unmet medical need.

The following table summarises key information about our Bicycle programs:

Target	Molecule	Study	Indication	Preclinical	IND enabling/ human imaging	Early-Stage Development	Late-Stage Development
Internal oncology programs							
EphA2	nuzefatide pevedotin (BDC®)	Ph2 open label	PDAC	[Progress bar]			
	⁶⁸ Ga BIA	Ph1/2 combo with nivolumab	2L+ mUC	[Progress bar]			
MT1-MMP	⁶⁸ Ga BIA	Utility study	All comers	[Progress bar]			
	BT1702 (BRC®, ²¹² Pb)	IND enabling	All comers	[Progress bar]			
Nectin-4	zelenectide pevedotin (BDC®)	Duravelo-2	1L mUC	[Progress bar]			
		Ph2 combo with pembrolizumab	2L+ mUC	[Progress bar]			
	BT7480 (TICA®)	Ph1/2 combo with nivolumab	All comers	[Progress bar]			
Partnered programs							
PLN	ION826/AZD4063	Phase 1	Cardiometabolic disease	[Progress bar]			

We were founded in 2009 based on innovative science conducted by Sir Gregory Winter and Professor Christian Heinis. Sir Gregory Winter is a pioneer in monoclonal antibodies and, in 2018, was awarded a Nobel Prize in chemistry for the invention of the technology underpinning our proprietary phage display screening platform that

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we use to identify Bicycle molecules. From our founding through 31 December 2025, we have generated substantial intellectual property, including eight patent families directed to novel scaffolds, linkers and payloads, eight patent families directed to our platform technology, 42 patent families directed to bicyclic peptides and related conjugates, and 16 patent families directed to later inventions relating to such bicyclic peptides and related conjugates, such as methods of making or using certain bicyclic peptide conjugates for treating various indications. As of 31 December 2025, our trademark portfolio consisted of 138 trademark registrations across 10 territories (United Kingdom, European Union, United States, Japan, Hong Kong, Australia, China, Israel, Switzerland and Norway) as well as a number of pending applications for new trademarks. The work we have conducted in developing Bicycle molecules and our proprietary screening platform have created substantial know-how that we believe provides us with a competitive advantage.

Our management team includes veteran executives in drug development from leading pharmaceutical companies including AstraZeneca, GlaxoSmithKline and Pfizer. Our board of directors, clinical advisory board and research and innovation advisory board include industry experts with extensive experience in drug development.

Our strategy

Our mission is to become a leading pharmaceutical company by pioneering Bicycle molecules as a novel therapeutic modality to treat diseases that are inadequately addressed with existing treatment modalities. Specifically, we seek to execute on the following strategy to maximise the value of our novel technology and pipeline:

- ***Progress our most advanced internal candidate, nuzefatide pevedotin.*** We are evaluating nuzefatide pevedotin, a BDC molecule targeting EphA2, in both an ongoing company-sponsored Phase I/II clinical trial to assess safety, pharmacokinetics and clinical activity in patients with advanced solid tumors and an ongoing company-sponsored Phase II clinical trial to evaluate the efficacy, safety and pharmacokinetics of nuzefatide pevedotin in adult patients with recurrent metastatic pancreatic ductal adenocarcinoma, which commenced recruiting patients in the first quarter of 2026.
- ***Progress IND-enabling activities for our BRC molecule candidate, BT1702.*** BT1702 is a theranostic BRC molecule targeting MT1-MMP and carries a ²¹²Pb radioisotope payload. In preclinical models, BT1702 showed a favorable biodistribution profile and was effective at reducing tumor burden in a range of model systems. IND-enabling activities are ongoing.
- ***Advance our discovery programs into clinical development.*** We intend to continue our ongoing discovery activities to screen and select candidates for oncology indications. For example, we are developing BRC molecules targeting novel targets, including EphA2. We have also provided our BIA molecules to German Cancer Research Center, or DKFZ, and Universitätsmedizin Essen for human imaging, which may inform future development. We intend to advance our Bicycle radioligands pipeline and progress our strategy for leadership in next-generation radiopharmaceuticals. We are also developing next generation BDC molecules.
- ***Leverage our powerful proprietary screening platform and novel Bicycle modality to grow our pipeline.*** Our novel and proprietary phage display screening platform allows us to rapidly and efficiently identify potential candidates for development. We can incorporate a wide range of small molecule scaffolds into Bicycle molecules to increase diversity and confer differentiated physicochemical and structural properties. We have used our powerful Bicycle screening platform to identify BDC, BRC, BIA and Bicycle TICA molecules, and we intend to use it to develop a broader pipeline of diverse product candidates.
- ***Collaborate strategically with leading organisations to access enabling technology and expertise in order to expand the application of our novel Bicycle modality to indications beyond oncology.*** We are collaborating with leading biopharmaceutical companies and organisations to apply our novel Bicycle modality to other disease areas. For example, in December 2025, ION826 (AZD4063), an investigational

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medicine incorporating a TfR1 Bicycle molecule under our collaboration agreement with Ionis, entered Phase I development. ION826 is an investigational siRNA medicine in development for a serious form of myocardial disease called PLN-R14del dilated cardiomyopathy. We may opportunistically enter into additional collaborations in the future to apply our technology to areas of unmet medical need.

- ***Maximise the commercial potential of our product candidates, if approved, by either establishing our own sales and marketing infrastructure or doing so through collaborations with others.*** Subject to receiving marketing approval, we intend to pursue the commercialisation of our product candidates either by building internal sales and marketing capabilities or doing so through opportunistic collaborations with others.

Additional disclosures on our internal programs are given in the Annual Report on Form 10-K for the year ended 31 December 2025 filed with the SEC on 17 March 2026.

Our collaborations

Beyond our wholly owned oncology portfolio, we are collaborating with biopharmaceutical companies and organisations in additional therapeutic areas in which we believe our proprietary Bicycle screening platform can identify therapies to treat diseases with significant unmet medical need by leveraging the broad applicability of Bicycle molecules. Our strategic collaborations are based on the ability of Bicycle molecules to address a wide variety of targets and we are working with collaborators with deep therapeutic expertise to enable us to more efficiently develop novel medicines for patients.

Bayer

On 4 May 2023, we entered into a collaboration and license agreement with Bayer Consumer Care AG, or Bayer, pursuant to which we and Bayer will perform research and discovery activities under a mutually agreed upon research plan during a research term up to a specified number of years per target program to generate radiopharmaceutical compounds incorporating optimised Bicycle constructs directed to two specified targets, under the oversight of a joint research committee. In addition, Bayer has a one-time right to expand the collaboration to include a third target program, and with respect to each of the up to three target programs, Bayer has an option, exercisable within a specified period of time following the effective date of the agreement, to generate, develop and commercialise non-radiopharmaceutical compounds directed to the applicable target, either by itself or in collaboration with us. Bayer also has certain limited target substitution rights, in certain cases subject to specified additional payments. For each collaboration program, Bayer may elect, at its sole discretion, to progress compounds arising from activities under the research programs into further preclinical development of potential products directed to the target of such collaboration program. On a target-by-target basis, if Bayer elects to progress development candidates directed to such target into further clinical development, Bayer will be required to use commercially reasonable efforts to develop and seek regulatory approval in certain major markets for products directed to the applicable target. In November 2025, Bayer provided the Company with a notice of termination for one of the initial target programs, with such termination effective in January 2026.

Ionis

On 9 July 2021, we and Ionis entered into a collaboration and license agreement, or the Ionis Collaboration Agreement. Pursuant to the Ionis Collaboration Agreement, we granted to Ionis a worldwide exclusive license under our relevant technology to research, develop, manufacture and commercialise products incorporating Bicycle peptides directed to the protein coded by the gene TFRC1 (transferrin receptor), or TfR1 Bicycle molecules, intended for the delivery of oligonucleotide compounds directed to targets selected by Ionis for diagnostic, therapeutic, prophylactic and preventative uses in humans. Ionis will maintain exclusivity to all available targets unless it fails to achieve specified development diligence milestone deadlines. If Ionis fails to achieve one or more development diligence milestone deadlines, we have the right to limit exclusivity to certain specific collaboration targets, subject to the payment by Ionis of a low-single-digit million dollar amount per target as specified in the Ionis Collaboration Agreement. Each party was responsible for optimisation of such TfR1 Bicycle molecules and

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other research and discovery activities related to TfR1 Bicycle molecules, as specified by a research plan which was completed during 2024, and thereafter Ionis is responsible for all future research, development, manufacture and commercialisation activities. We performed research and discovery activities including a baseline level of effort for a period of three years. We have retained certain rights, including the right to use TfR1 Bicycle molecules for all non-oligonucleotide therapeutic purposes. In December 2025, ION826 (AZD4063), an investigational medicine incorporating a TfR1 Bicycle molecule under the Ionis Collaboration Agreement, entered Phase I development. ION826 is an investigational siRNA medicine in development for a serious form of myocardial disease called PLN-R14del dilated cardiomyopathy.

Review of business performance and future developments

Since our inception, we have devoted substantially all of our resources to developing our Bicycle platform and our product candidates, conducting research and development of our product candidates and preclinical programs, raising capital and providing general and administrative support for our operations. To date, we have financed our operations primarily with proceeds from the sale of our equity securities; proceeds received from upfront payments, research and development payments, and development milestone payments from our collaboration agreements; and borrowings pursuant to a loan and security agreement, or the Loan Agreement, with Hercules Capital, Inc., or Hercules. From our inception in 2009 through 31 December 2025, we have received gross proceeds of \$1.4 billion from the sale of equity securities and \$239.6 million of cash payments under our collaboration agreements, including \$46.3 million from Bayer, \$53.0 million from Novartis Pharma AG, or Novartis, \$49.7 million from Ionis, and \$56.0 million from Genentech Inc., or Genentech. We do not have any products approved for sale and have not generated any revenue from product sales.

Since our inception, we have incurred significant operating losses. Our ability to generate product revenue sufficient to achieve profitability will depend on the successful development and eventual commercialisation of one or more of our product candidates. Our net losses for the year ended 31 December 2025 were \$156.2 million (31 December 2024: \$182.7 million) and we had net assets at book value of \$605.6 million (31 December 2024: \$788.4 million). These losses have resulted primarily from costs incurred in connection with research and development activities and general and administrative costs associated with our operations. We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future.

We expect that our expenses and capital requirements will decrease in the near term as a result of our cost saving initiatives and our strategic reprioritisation announced in March 2026. However, our expenses and capital requirements may increase substantially if and as we:

- continue our development of our product candidates, including conducting future clinical trials of nuzefatide pevdotin and BT1702;
- seek to identify and develop additional product candidates, including expanding our pipeline of Bicycle radioligand molecules and next-generation BDC molecules;
- develop the necessary processes, controls and manufacturing data to obtain marketing approval for our product candidates and to support manufacturing to commercial scale;
- develop, maintain, expand and protect our intellectual property portfolio;
- seek marketing approvals for our product candidates that successfully complete clinical trials, if any;
- hire and retain additional personnel, such as non-clinical, clinical, pharmacovigilance, quality assurance, regulatory affairs, manufacturing, distribution, legal, compliance, medical affairs, commercial and scientific personnel;

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- acquire or in-license other products and technologies;
- expand our infrastructure and facilities to accommodate our growing employee base, including adding equipment and infrastructure to support our research and development; and
- add operational, financial and management information systems and personnel, including personnel to support our research and development programs and any future commercialisation efforts.

We do not expect to generate revenue from product sales unless and until we successfully complete development and obtain marketing approval for one or more of our product candidates, which we expect will take many years and is subject to significant uncertainty. We have no commercial-scale manufacturing facilities of our own, and all of our manufacturing activities have been and are planned to be contracted out to third parties. Additionally, we currently utilise third-party CROs to carry out our clinical development activities. If we seek to obtain marketing approval for any of our product candidates from which we obtain encouraging results in clinical development, we expect to incur significant commercialisation expenses as we prepare for product sales, marketing, manufacturing, and distribution.

As a result, we will need substantial additional funding to support our continuing operations and pursue our growth strategy. Until such time as we can generate significant revenue from product sales, if ever, we expect to finance our operations through a combination of equity offerings, debt financings, collaborations, strategic alliances, charitable and governmental grants, monetisation transactions or licensing arrangements. We may be unable to raise additional funds or enter into such other agreements or arrangements when needed on favourable terms, or at all. If we fail to raise capital or enter into such agreements as, and when, needed, we may have to significantly delay, scale back, or discontinue the development and commercialisation of one or more of our product candidates. Because of the numerous risks and uncertainties associated with product development, we are unable to predict the timing or amount of increased expenses or when or if we will be able to achieve or maintain profitability. Even if we are able to generate product sales, we may not become profitable. If we fail to become profitable or are unable to sustain profitability on a continuing basis, we may be unable to continue our operations at planned levels and be forced to reduce or terminate our operations.

In addition, in August 2025, we announced cost reduction initiatives that are expected to reduce planned operating costs, primarily through a workforce reduction that is substantially complete as of 31 December 2025. As a result, we incurred aggregate charges for severance and other employee termination benefits of \$5.3 million during the year ended 31 December 2025.

As of 31 December 2025, we had cash and cash equivalents of \$628.1 million (31 December 2024: \$879.5 million). We believe that our existing cash and cash equivalents will enable us to fund our operating expenses and capital expenditure requirements for the foreseeable future at least 12 months from the date of these financial statements.

Key performance indicators ('KPIs')

We do not consider traditional financial measures to be key performance indicators at this stage of development of our business. However, management closely monitors our cash position and our research and development expenses. In addition, we assess our performance through the clinical advancement of our programs. During the year ended 31 December 2025, we achieved significant progress across our programs. In January 2025, we announced topline results from the ongoing Phase I trial evaluating zelenectide pevedotin in combination with pembrolizumab. In May 2025 and August 2025, we announced that we initiated the ongoing Phase I/II clinical trials assessing the efficacy and safety of zelenectide pevedotin in patients with NECTIN4 amplified advanced breast cancer and NECTIN4 amplified advanced or metastatic non-small cell lung cancer, respectively. In April 2025, we announced additional human imaging data for BRC molecule targeting MT1-MMP at the American Association for

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Cancer Research, AACR, Annual Meeting 2025. In November 2025, we presented first human imaging data for an early BRC molecule targeting EphA2 at the Targeted Radiopharmaceuticals Summit Europe. In addition, in December 2025, we announced our entrance into a 15-year contract, including an option to renew, with the UK Nuclear Decommissioning Authority, or NDA, for access to up to 400 tonnes of reprocessed uranium. Reprocessed uranium continually regenerates providing a potentially sustainable supply of lead-212, or ^{212}Pb , a radioisotope and one of the more potent therapeutic payloads against cancer cells known as Targeted Alpha Therapy. We also announced a collaboration with United Kingdom National Nuclear Laboratory, or UKNNL, pursuant to which we plan to extract thorium-228, or ^{228}Th , from the reprocessed uranium obtained from NDA. The extracted ^{228}Th will then be further processed into radium-224, or ^{224}Ra , and loaded into a bespoke ^{212}Pb generator currently being developed exclusively for us by SpectronRx.

Financial risk management

The directors have concluded that the management of price risk and liquidity risk are not material for the assessment of our assets, liabilities, financial position and loss.

Currency risk

We raise funds in U.S. dollars, and pay for goods and services in a variety of currencies but mainly the British pound sterling and U.S. dollar. We mitigate this risk by also holding the majority of cash in these two currencies. We currently do not use derivatives to manage this risk.

Cash flow

We finance our operations primarily with proceeds from the sale of our equity securities and proceeds received from upfront payments, research and development payments, and development milestone payments from our collaboration agreements. The Board monitors the level of cash and cash equivalents on a regular basis and cash is placed in interest-bearing accounts and money market funds to earn a return whilst enabling the cash to be available to meet our day-to-day needs.

Credit Risk

We have cash and, from time to time, receivables, from both our operating and financing activities. We ensure that invoices are raised when performance conditions are met and that the payment terms with the customer are adhered to. Cash is maintained in accounts of reputable financial institutions with high quality credit ratings. Aggregation risk is mitigated as the cash is maintained in accounts of multiple financial institutions and in money market funds that are primarily invested short-term, highly liquid securities and that maintain a stable net asset value.

Environmental matters

Our activities have minimal environmental impact as we do not have an internal manufacturing facility and the emissions from our office and laboratory sites in the U.K. and the U.S. are not considered significant. We comply with all applicable environmental laws and regulations and currently do not consider us to have a significant environmental footprint due to the size and nature of our operations.

Following listing of the Parent Company's ADSs on NASDAQ in May 2019, we are required under English law to measure and report our greenhouse gas emissions in accordance with the provisions of the Regulations. The sources of emissions relate solely to the electricity and gas purchased by our premises in the U.K. and U.S., the costs of which are included within these consolidated financial statements. These include the purchase of electricity, heat, steam or cooling. Standard emissions factors from Defra's GHG Conversion Factor Repository were applied to estimate emissions. We consider that the intensity ratio of tonnes of carbon dioxide per full-time equivalent employee is a suitable metric for our operations. The annual quantity of emissions for us for the year ended 31 December 2025 was 889 tonnes (year ended 31 December 2024: 878 tonnes) with an intensity ratio of 2.7 tonnes (2024: 3.0 tonnes) based on the average number of employees in the year of 327 (2024: 292), as determined

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based on our electricity and gas consumption provided by our suppliers as converted to emissions by publicly available emission converters. Approximately 62% (2024: 75%) of these emissions were in the U.K. Our estimated electricity usage for the year is 2,597,000 kWh (2024: 2,272,000 kWh). We, in preparing these details, consider ways to minimise indirect areas of emissions and where practical enable remote working and also promote online conferencing facilities to reduce business travel. These are all Scope 2 emissions which are indirect emissions related to the generation of the electricity consumed and purchased by us. We have used the most recent evidence or estimates provided by our energy supply partners to generate our disclosure of emissions for the period. Scope 1 emissions are direct emissions produced from the activities owned or controlled by us. We have elected not to include the voluntary disclosure for Scope 3 emissions.

Employee, social, community and human rights matters

We place considerable value on the involvement of our employees. Regular meetings are held with employees to discuss the operations and progress of the business and employees are encouraged to become involved in our success through equity incentive schemes (see note 11 to the financial statements).

We believe our employees are our most valuable assets and are key to achieving our goals. We focus our efforts on attracting and retaining a diverse, high-performing workforce through offering competitive and fair compensation packages that are based on robust industry market data. Our total compensation package includes competitive base pay, annual bonus, equity participation, and a broad range of benefits, including retirement planning, healthcare and insurance benefits, paid time off, enhanced paid family and medical leave, flexible working, and various health and wellness programs. We also run recognition programs that highlight employees who exhibit exceptional performance and demonstrate our company values. Our compensation programs are designed to be equitable and fair, and we routinely analyse data to ensure that our programs are administered in a fair and equitable way.

We maintain and operate pursuant to a Code of Conduct and Business Ethics. This sets out our approach to maintain our corporate values throughout our global business. We also have anti-corruption and anti-bribery policies. The Code of Conduct and Business Ethics and anti-corruption and anti-bribery policies apply to all employees and certain designated consultants, who are required to comply with these policies.

We invest heavily in our employees' personal and professional development. We offer a vast array of learning and development opportunities including online and classroom training and learning, technical training, mentoring and coaching programs, training academies and management and leadership development programs.

We are committed to developing the next generation of talent and have active internship partnerships with local universities in both the U.S. and U.K.

We endeavour to impact positively on the community in which we operate. We do not, at present, have a specific policy on human rights. However, we have several policies that promote the principles of human rights. We will respect the human rights of all our employees, including:

- providing safe, clean working environment;
- providing a workplace that is free from discrimination and coercion;
- not using child or forced labour; and
- respecting the rights of privacy and protecting access and use of employee personal information.

We also have a policy on equal opportunities and on anti-bullying and harassment.

We are fully committed to the elimination of unlawful and unfair discrimination and values the differences that a diverse workforce brings to the organisation. We endeavour to not discriminate because of age, disability,

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gender reassignment, marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation.

We believe a diverse workforce is critical to our success and we are fundamentally committed to creating and maintaining a work environment in which employees are treated fairly, with dignity, decency, respect and in accordance with all applicable laws. We understand that varied perspectives lead to the best ideas and outcomes. We believe that by creating a workplace where every individual can feel welcome and valued, we will be better able to achieve our corporate objectives. All employees must adhere to the Code of Business Conduct and Ethics and our employee handbook, which combined, define standards for appropriate behaviour and all employees are annually trained to help prevent, identify, report, and stop any type of discrimination and harassment.

Employee gender diversity

Our processes in recruitment, hiring, development, training, compensation, and advancement are based on qualifications, performance, skills, and experience. Without regard to gender, race or ethnicity. A breakdown of employment statistics as of 31 December 2024 and 2025 is as follows:

31 December 2024 (Number of Directors and Employees)

Position	Male	Female	Total
Directors	7	1	8
Key Management	6	2	8
Vice President/Director	53	60	113
Other Employees	71	112	183
Total Directors and Employees	137	175	312

31 December 2025 (Number of Directors and Employees)

Position	Male	Female	Total
Directors	9	1	10
Key Management	5	2	7
Vice President/Director	48	41	89
Other Employees	79	112	191
Total Directors and Employees	141	156	297

Notes: Directors are directors of the Parent Company; For 2024, key management includes the Chief Financial Officer, Chief Business Officer, Chief Operating Officer, Chief Technology Officer, Chief Development Officer, Chief Product and Supply Chain Officer, Chief Strategy Officer and Head of Commercial, and Chief Legal Officer and General Counsel; For 2025, key management includes the Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, Chief Medical Officer, Chief Product and Supply Chain Officer, Chief Strategy Officer and Head of Commercial, and Chief Legal Officer and General Counsel. In both 2024 and 2025, the Chief Executive Officer was a director of the Parent Company and, accordingly, was included in the Directors totals above. The decrease in the number of employees year over year is primarily related to the workforce reduction in August 2025.

Principal risks and uncertainties

Financial

We are a clinical-stage pharmaceutical company. We have not commercialised any products or generated any revenues from the sale of products, and absent the realisation of sufficient revenues from product sales, we may never attain profitability in the future. We have a history of significant operating losses (year ended 31 December 2025: \$218.1 million; year ended 31 December 2024: \$258.6 million) and we do not expect to generate revenue or profitability that is necessary to finance our operations in the short-term. We have devoted substantially

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Strategic Report (continued)

all of our financial resources and efforts to research and development, including preclinical studies and our clinical trials. Our ability to become and remain profitable depends on our ability to generate revenue. Generating product revenue will depend on our or any of our collaborators' ability to obtain marketing approval for, and successfully commercialise, one or more of our product candidates. Our failure to become and remain profitable could depress the market price of our ADSs and could impair our ability to raise capital, expand our business or continue our operations.

Developing pharmaceutical products, including conducting preclinical studies and clinical trials, is a very time-consuming, expensive and uncertain process that takes years to complete. We will be required to expend significant funds in order to advance the development of the product candidates in our pipeline, as well as any other product candidates we may seek to develop. Furthermore, inflation rates, particularly in the United States and the United Kingdom, recently increased to levels not seen in decades and, despite recent decreases, remain high. Increased inflation may result in increased operating costs (including labour costs) and may affect our operating budgets. Future increases in interest rates, especially if coupled with reduced government spending and volatility in financial markets and the global banking system, may further increase economic uncertainty and heighten these risks. In addition, current or future tariffs or other trade barriers may result in increased research and development expenses, including with respect to increased costs associated with active pharmaceutical ingredients, raw materials, laboratory equipment and research materials and components. We cannot be certain that additional funding will be available on acceptable terms, or at all. Our failure to raise funding as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy. There is a risk that should we fail to obtain additional funding on the terms or timescales we require, we may be forced to delay, reduce or eliminate our research and development programs or any future commercialisation efforts.

Clinical

Our product candidates will need to undergo preclinical and clinical trials that are time consuming, expensive and can be subject to extensive delays. We may not be able to identify, recruit and enrol a sufficient number of patients, or those with the required or desired characteristics, to complete our clinical trials in a timely manner. Our product candidates may cause undesirable side effects or have other properties when used alone or in combination with other approved products or investigational new drugs that could halt their clinical development and/or prevent their marketing approval and/or limit their commercial potential. The timeline for recruiting patients, conducting trials and obtaining regulatory approval of our product candidates may be delayed, which could result in increased costs, delays in advancing our product candidates, delays in testing the effectiveness of our product candidates or termination of the clinical trials altogether. The outcome of preclinical studies and early clinical trials may not be predictive of the success of later clinical trials, and preliminary or interim results of clinical trials do not necessarily predict success in the results of completed clinical trials. Preclinical and clinical data are often susceptible to varying interpretations and analyses and there is no certainty that the results obtained in clinical trials of our existing clinical candidates will be sufficient to enable progression of those candidates through clinical development or the obtaining of regulatory approval or marketing authorisation. If we fail to receive positive results in clinical trials of our product candidates, the development timeline and regulatory approval and commercialisation prospects for our most advanced product candidates, and, correspondingly, our business and financial prospects, would be negatively impacted.

Manufacturing and Supply

We do not own or operate manufacturing facilities for the production of clinical or commercial supplies of the product candidates that we are developing or evaluating. We rely on third parties, including those located in China, for supply of our product candidates, and our strategy is to outsource all manufacturing of our product candidates and products to third parties. We rely on third parties, including those located in China, for supply of our product candidates, and our strategy is to outsource all manufacturing of our product candidates and products to third parties. For any activities conducted in China, we are exposed to the increased possibility of supply disruptions and higher costs in the event of changes in the policies of the U.S. or Chinese governments including tariffs, political unrest or unstable economic conditions including sanctions on China or any of our China-based suppliers.

Bicycle Therapeutics plc
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Strategic Report (continued)

We are substantially dependent on third parties for supply of our raw material used in our product candidates. Although we believe our present suppliers have adequate quantities of raw material to meet our current needs, we may encounter supply shortages which could adversely affect our business. There can be no assurance that our suppliers will renew contracts on acceptable terms, or at all. In addition, as it relates to our BRC molecules, we expect future product candidates to include ^{212}Pb or other radioisotopes. While we have announced arrangements with NDA, UKNNL and SpectronRx for the ultimate supply of ^{212}Pb and Eckert & Ziegler for a range of radioisotopes, there are not many alternatives to these suppliers, and finding any replacement suppliers would divert management resources.

In order to conduct clinical trials of product candidates, we will need to have them manufactured in potentially large quantities. Our third-party manufacturers may be unable to successfully increase the manufacturing capacity for any of our product candidates in a timely or cost-effective manner, or at all. In addition, quality issues may arise during scale-up activities and at other times. Our use of new third-party manufacturers increases the risk of delays in production or insufficient supplies of our product candidates as we transfer our manufacturing technology to these manufacturers and as they gain experience manufacturing our product candidates. Even after a third party manufacturer has gained significant experience in manufacturing our product candidates or even if we believe we have succeeded in optimising the manufacturing process, there can be no assurance that such manufacturer will produce sufficient quantities of our product candidates in a timely manner or continuously over time, or at all. We may be delayed if we need to change the manufacturing process used by a third party, subsequently resulting in further delays if the FDA or a comparable foreign authority needs to review the new manufacturing process before it may be used. While we have engaged several third-party vendors to provide clinical and non-clinical supplies and fill-finish services, we do not currently have any agreements with third party manufacturers for long-term commercial supplies. Even if we are able to establish and maintain arrangements with third-party manufacturers, reliance on third-party manufacturers entails risks, including the reliance on third parties for manufacturing process development, regulatory compliance and quality assurance, limitations on supply availability resulting from capacity and scheduling constraints of third parties, the possible breach of manufacturing agreements by third parties because of factors beyond our control and the possible termination or non-renewal of the manufacturing agreement by the third party at a time that is costly or inconvenient to us.

Third parties

For certain product candidates, we depend, or will depend, on our development and commercial collaborators to develop and conduct clinical trials with, obtain regulatory approvals for, and if approved, market and sell product candidates. If such collaborators fail to perform as expected the potential for us to generate future revenue from such product candidates would be significantly reduced and our business would be harmed. We cannot provide assurance that our collaborators will be successful or that they will devote sufficient resources to the development or commercialisation of the products. If our current or future collaboration and commercialisation partners do not perform in the manner we expect or fail to fulfil their responsibilities in a timely manner, or at all, if our agreements with them terminate or if the quality or accuracy of the clinical data they obtain is compromised, the clinical development, regulatory approval and commercialisation efforts related to their and our product candidates and products could be delayed or terminated and it could become necessary for us to assume the responsibility at our own expense for the clinical development of such product candidates.

We rely on third parties, including independent clinical investigators and CROs to conduct and sponsor some of the clinical trials of our product candidates. Any failure by a third party to meet its obligations with respect to the clinical development of our product candidates may delay or impair our ability to obtain regulatory approval for our product candidates.

Commercialisation

We are substantially dependent on the success of our internal development programs and of our product candidates from our BDC and BRC programs which may not successfully complete clinical trials, receive regulatory approval or be successfully commercialised. In addition, we are at a very early stage in our development efforts and

Bicycle Therapeutics plc
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Strategic Report (continued)

our product candidates represent a new category of medicines and may be subject to heightened regulatory scrutiny until they are established as a therapeutic modality. Our clinical trials may not be conducted as planned or completed on schedule, if at all and, even if completed on schedule, there remains no guarantee that the results seen in any clinical trials will be sufficient to progress to the next stage of any clinical approval or ultimately to the obtaining of a marketing approval for any of our programs.

Our estimates of the potential patient population which can be treated may be inaccurate affecting the amount of revenue obtainable for any product. Likewise, the amount of revenue that can be obtained in relation to our programs may be impacted by the nature of pricing reimbursement coverage or schemes available or in place in any specific country and the continuation of such coverage and schemes. If reimbursement is not available, or is available only at limited levels, we may not be able to successfully commercialise our product candidates, even if approved. We currently have limited marketing, sales or distribution capabilities and have limited sales or marketing experience within our organisation. If one or more of our product candidates is approved, we intend either to build our sales and marketing organisation with technical expertise and supporting distribution capabilities to commercialise that product candidate, or to outsource this function to a third party. There are risks involved with either building our own sales and marketing capabilities and entering into arrangements with third parties to perform these services. Even if we are successful in obtaining regulatory approval, the commercial success of our product candidates will depend upon the degree of market acceptance by physicians, patients, payors and others in the medical community.

In addition, we face significant competition, and our competitors may develop and market products that are more effective, safer or less expensive than our product candidates, which may negatively impact our commercial opportunities.

Regulation

Our product candidates are highly regulated and the regulatory process is lengthy, time-consuming and expensive. We may experience significant delays in obtaining regulatory approval or be required to make changes to our clinical programmes or product candidates by regulatory authorities. Even if we do receive regulatory approval to market our product candidates, any such approval may be subject to limitations on the indicated uses or patient populations for which we may market the product. If we are successful in obtaining regulatory approvals in one country, this does not mean that we will be successful in other countries and further clinical programmes may be required to obtain required regulatory approvals in such other countries. In addition, failure to successfully validate, develop and obtain regulatory approvals for companion diagnostics could harm our drug development strategy.

Should we obtain marketing approvals for any current or future product candidates we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our products. Changes in regulations, statutes or the interpretation of existing regulations could also impact our business in the future. Any failure to comply with regulatory requirements at any stage in the development of our product candidates could result, among other things, in restrictions on the labelling, distribution, marketing or manufacturing of the product, suspension or withdrawal of marketing approvals and fines, restitution or disgorgement of profits or revenues. We are also subject to regulation as a company both in the U.K. and the U.S. including in relation to anti-bribery and other anti-corruption laws, as well as export control laws, import and customs laws, trade and economic sanctions laws and other laws governing our operations. In addition, because we have a U.S. subsidiary and substantial operations in the U.S., we are subject to U.S. laws that regulate non-U.S. investments in U.S. businesses and access by non-U.S. persons to technology developed and produced in the U.S. We are also subject to numerous environmental, health and safety laws and regulations.

Litigation

The use of our product candidates in clinical trials and the sale of any products for which we obtain marketing approval expose us to the risk of product liability claims from patients, healthcare providers,

Bicycle Therapeutics plc
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Strategic Report (continued)

pharmaceutical companies and others. We believe our product liability insurance coverage is sufficient in light of our current commercial and clinical programs; however, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability.

From time to time, we may become involved in various legal proceedings and claims, either asserted or unasserted, which arise in the ordinary course of business. We are not currently subject to any material legal proceedings.

Intellectual Property

Our ability to compete effectively depends, in part, on our ability to maintain the proprietary nature of our technology and manufacturing processes. We rely on research, manufacturing and other know-how, patents, trade secrets, licence agreements and contractual provisions to establish our intellectual property rights and protect our products and product candidates. We may become involved in lawsuits to protect or enforce our patents and other intellectual property rights, which could be expensive, time-consuming and unsuccessful. Even if they are unchallenged, our patents and patent applications may not provide us with any meaningful protection or prevent competitors from designing around our patent claims by developing similar or alternative technologies or therapeutics in a non-infringing manner. Third parties may claim that our activities or products infringe upon their intellectual property which will adversely affect our operations and prove costly and time-consuming to defend against and could ultimately prevent or delay us from developing or commercialising our product candidates. Further, our products may infringe the intellectual property rights of others and we may be unable to secure necessary licences to enable us to continue to manufacture or sell our products. We may also be subject to claims that former employees, collaborators or other third parties have an ownership interest in our patents or other intellectual property.

Cybersecurity

Cyber-attacks, failures in or interruptions of, or other compromise to our information technology systems, or those of third parties with whom we work, or our data could result in adverse consequences that materially affect our business, including without limitation, regulatory investigations or actions, litigation, fines and penalties, information theft, data corruption, harm to our reputation and brand, significant disruption of our business operations, and other adverse consequences. We utilise information technology, systems and networks to process, transmit and store electronic information in connection with our business activities. As the use of digital technologies has increased, cyber incidents, including deliberate attacks and attempts to gain unauthorised access to computer systems and networks, have increased in frequency and sophistication. These threats pose a risk to the security of our systems and networks, the confidentiality and the availability and integrity of our data. Similarly, there can be no assurance that our collaborators, CROs, third-party logistics providers, distributors and other contractors and consultants will be successful in protecting our clinical and other data that is stored on their systems.

Any cyber-attack or destruction or loss of data could have material effects on our business and prospects. In addition, we may suffer reputational harm or face litigation or adverse regulatory action as a result of cyber-attacks or other data security breaches and may incur significant additional expense to respond appropriately to such breaches and to implement further data protection measures.

In addition, as social media continues to expand, it also presents us with new risks and challenges. Social media is increasingly being used to communicate information about us, our programs and the diseases our therapeutics are being developed to treat. Social media practices in the pharmaceutical and biotechnology industries are evolving, which creates uncertainty and risk of noncompliance with regulations applicable to our business. Further, the accidental or intentional disclosure of non-public information by our workforce or others through social media channels could lead to information loss and there is a risk of inappropriate disclosure of sensitive information or negative or inaccurate posts or comments about us, our products, or our product candidates on any social media platform. We may not be able to reverse damage to our reputation from negative publicity or adverse information posted on social media platforms or similar mediums. If any of these events were to occur or we otherwise fail to

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Strategic Report (continued)

comply with application regulations, we could incur liability, face restrictive regulatory actions or incur other harm to our business including quick and irreversible damage to our reputation, brand image and goodwill.

Additionally, AI-based platforms are increasingly being used in the pharmaceutical industry and we are expanding the use of AI-based platforms in our operations for data analysis, summarisation and automation, which subjects us to a variety of risks, including potential cybersecurity vulnerabilities, breaches of data privacy and the potential for inadvertent or unauthorised disclosure of our confidential information and intellectual property. Our use, or the use by our vendors, suppliers and contractors with access to our proprietary and confidential information, including trade secrets, may lead to the release of our proprietary and confidential information, which may negatively impact our company, including our ability to realise the benefit of our intellectual property. Moreover, AI-based platforms may create flawed, incomplete, or inaccurate outputs, some of which may appear correct. This may happen if the inputs that the model relied on were inaccurate, incomplete or flawed (including if a bad actor “poisons” the AI-based platform with bad inputs or logic), or if the logic of the AI-based platform is flawed (a so-called “hallucination”).

Employees

We are highly dependent on principal members of our executive team and key employees. The loss of the services of one or more of our executive team and key employees might impede the achievement of our research, development and commercialisation objectives. Furthermore, replacing executive officers or other key employees may be difficult and may take extended time because of the limited number of individuals in our industry with the breadth of skills and experience required to develop, gain marketing approval of and commercialise products successfully.

Our focus on the development of our product candidates requires us to optimise cash utilisation and to manage and operate our business in a highly efficient manner. We cannot provide assurance that we will be able to hire or retain adequate staffing levels to develop our product candidates or run our operations or to accomplish all of our objectives.

In August 2025, we announced cost reduction initiatives that are expected to reduce planned operating costs, primarily through a workforce reduction. In addition, in conjunction with our strategic reprioritisation announced in March 2026, we are implementing a proposed workforce reduction of approximately 30% of our workforce. These recent workforce reductions may result in unintended consequences and costs, such as the loss of institutional knowledge and expertise, attrition beyond the intended number of employees, decreased morale among our remaining employees, and the risk that we may not achieve the anticipated benefits of the workforce reductions. In addition, we may be unsuccessful in distributing the duties and obligations of departed employees among our remaining employees or to contractors or other partners. The workforce reductions could also make it difficult for us to pursue, or prevent us from pursuing, new opportunities and initiatives due to insufficient personnel, or require us to incur additional and unanticipated costs to hire new personnel to pursue such opportunities or initiatives. Further, inflationary pressure may increase our costs, including employee compensation costs, or result in employee attrition to the extent our compensation does not keep up with inflation, particularly if our competitors’ compensation does. If we are unable to realise the anticipated benefits from the workforce reductions, if we experience significant adverse consequences from the workforce reductions, or if we are otherwise unable to retain our employees, our business, financial condition, and results of operations may be materially adversely affected.

Section 172 Statement

This statement aligns to the section 172 statement requirements contained in section 414CZA of the Companies Act 2006 (the “Companies Act”). This statement focuses on how the directors of the Parent Company have had regard during the year to the matters set out in section 172(1)(a) to (f) of the Companies Act when performing their duties by incorporating information from other areas of the Annual Report to avoid unnecessary duplication. The Board considers that the statement focuses on those risks and opportunities that were of strategic importance to the Parent Company consistent with the size and complexity of the Company.

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Strategic Report (continued)

In the performance of its duty to promote the success of the Parent Company for the benefit of its members as a whole, the Board has regard to a number of matters, including listening to and considering the views of shareholders and holders of ADSs representing the Parent Company's ordinary shares and the Parent Company's other key stakeholders to build trust and ensure it fully understands the potential impacts of the decisions it makes for our stakeholders, the environment and the communities in which the Parent Company operates. Further details are set out below under "Stakeholder Engagement".

The Directors are aware of their duty under s172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long-term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

The governance framework within which the Board operates is set out in the corporate governance guidelines adopted by the Board, a copy of which is available in the Investors section on the Company's website. In addition, the Parent Company maintains and operates pursuant to a Code of Conduct and Business Ethics which sets out the Company's approach to maintain our corporate values throughout our global business.

The Board fosters effective stakeholder relationships in order to align with our strategy and is responsible for seeing meaningful engagement with stakeholders. The Board's endeavours to implement various mechanisms to enable management and the Board to understand and consider stakeholder views as part of their oversight and decision making. Throughout the year, the Directors recognised their responsibility to act in good faith to promote the success of the Parent Company for the benefit of its members as a whole, while also considering the impact of their decisions on wider stakeholders and other factors relevant to the decision being made. Clear communication and proactive engagement to understand the issues and factors which are most important to stakeholders is fundamental to this. The Board acknowledges that every decision made will not necessarily result in a positive outcome for all stakeholders. By considering our corporate values, together with our strategic priorities, the Board aims to make decisions that are consistent and intended to promote the Parent Company's long-term success.

Stakeholder Engagement

Our key stakeholders include our workforce, suppliers, lenders, investors and our wider communities. We actively engage with, and listen to, our stakeholders to understand their views, seek opportunities to learn and improve.

We are committed to effective engagement with all of our stakeholders. Our success depends on this engagement. Direct engagement by the Board with its stakeholders, where possible, enables the Directors to deepen their understanding of how our purpose, values and strategy are embedded across the organisation globally. Where direct engagement is not possible, engagement takes place at the operational level, and the Directors are kept fully informed by senior management of all matters on a regular basis for use in the Board's decision-making.

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Strategic Report (continued)

Stakeholder Group	Why we engage	Engagement and influence on decision making	More information
Our Workforce	We believe that our people are our most important and valuable asset. Successful performance can be delivered only through a high level of engagement where our people share the Bicycle vision and values and feel supported by our culture and Code of Conduct and Business Ethics. Maintaining a content and engaged workforce is key to attract and retain top talent.	<p>The Board and senior management are committed to enhancing engagement with employees at all levels to ensure we communicate information on decisions taken, emerging developments, innovations and future growth of the business.</p> <p>The Board recognises the importance of using a variety of communication platforms and activities to maximise employee engagement. While the Board cannot directly consult with employees on all decisions it makes, it apprises itself of their opinions in a variety of ways. An example of this includes obtaining feedback through regular employee focus groups and opinion surveys which provide the Board with honest feedback that the Board uses to inform and drive business improvements.</p> <p>The Board understands that any decisions it makes may impact employees' performance, engagement and work satisfaction. The Board is mindful that any decisions it makes, as well as the manner in which they are made, will inform the culture of the business. The Board seeks to lead by example in order to ensure that high standards of business conduct are maintained by its employees.</p>	<p>Strategic report</p> <ul style="list-style-type: none"> — Business overview (page 2) — Our strategy (page 4) — Employee, social, community and human rights matters (page 9) — Employee gender diversity (page 10) <p>Remuneration report</p> <ul style="list-style-type: none"> — Statement from the Chair of the Compensation Committee (page 23) — Employment conditions (page 40)

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Strategic Report (continued)

Stakeholder Group	Why we engage	Engagement and influence on decision making	More information
Our Collaboration Partners	We are focused on building deep, long-term relationships with our collaboration partners which we ultimately believe is the key to the success of these partnerships.	<p>We work closely with our key collaborators, including Bayer and Ionis, in accordance with the terms of our agreements with them.</p> <p>The Board receives regular feedback from management on the progress of the collaborations and encourages the management to focus on building long term relationships with our collaboration partners.</p> <p>The Board is responsible for approving material business transactions and any key strategic changes. Prior to making such decisions the Board considers the potential impact on its collaboration partners.</p>	<p>Strategic report</p> <ul style="list-style-type: none"> — Business overview (page 2) — Our strategy (page 4) — Our collaborations (page 5) — Principal risks and uncertainties (page 10)

Bicycle Therapeutics plc
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Strategic Report (continued)

Stakeholder Group	Why we engage	Engagement and influence on decision making	More information
Our Suppliers	<p>We recognise the importance of establishing and building strong working relationships with all our suppliers.</p> <p>Working sustainably, respecting human rights, and operating with the highest standards of ethical conduct and professional integrity improve long-term business performance. We are dedicated to these values and require our suppliers to share our commitment.</p>	<p>The Board approves and implements policies based on ethical and legal minimum standards, which it requires the business to adhere to when engaging suppliers. As we continue to progress in our size and stage of development, we intend to continue to implement procedures to ensure that our key suppliers also commit to these standards, including in relation to anti-bribery and corruption, anti-money laundering, human rights and modern slavery and various other matters.</p> <p>We engage with our key business partners, including third party manufacturers and suppliers, independent clinical investigators and CROs, to ensure that they all have appropriate standards and policies in place, are financially robust and capable of delivering their services.</p>	<p>Strategic report</p> <ul style="list-style-type: none"> — Business overview (page 2) — Our strategy (page 4) — Our collaborations (page 5) — Principal risks and uncertainties (page 10) — Manufacturing and Supply / Third Parties / Commercialisation (page 11)

Bicycle Therapeutics plc
year ended 31 December 2025

Strategic Report (continued)

Stakeholder Group	Why we engage	Engagement and influence on decision making	More information
Our Investors	<p>We are a public company with ADSs listed on NASDAQ. Without our investors, we cannot grow or invest for future success.</p> <p>We engage with existing and potential investors to ensure that we provide sufficient, meaningful and relevant information which they can use to make informed investment decisions.</p> <p>We strictly adhere to market regulations and regularly consult our advisors to ensure we are in compliance with such regulations at all times.</p>	<p>Our Board and senior management have regular interaction with investors, to understand their interests and any concerns they may have.</p> <p>This feeds into the Board’s strategic discussions and opportunities, ensuring alignment over strategy, operational performance, remuneration policy, capital structure and future expectations of our investors.</p> <p>Examples of investor engagement by the Board and senior management includes Board attendance at the Annual General Meeting, NASDAQ announcements and press releases, Board attendance at conferences, regular reports from the Investor Relations team, direct engagement with investors in relation to remuneration policy, communications such as quarterly trading results, annual reports and notices of general meetings, and making available detailed information about Bicycle and matters of interest to investors on our website</p>	<p>Strategic report</p> <ul style="list-style-type: none"> — Business overview (page 2) <p>Remuneration report</p> <ul style="list-style-type: none"> — Shareholder views (page 40) <p>Bicycle website</p> <ul style="list-style-type: none"> — Corporate Governance Guidelines
Our Wider Communities	<p>Our global operations are an important part of the communities in which they are located. We have environmental responsibilities to the world in which we live, and societal responsibilities to the communities where we live, work and operate.</p>	<p>It is important to the Board that the Group gives back to the communities in which it operates. The Board considers these communities in determining the corporate culture it wishes to promote. We endeavour to have a positive impact on the community in which it operates and aim to provide a safe, clean working environment for employees.</p>	<p>Strategic report</p> <ul style="list-style-type: none"> — Environmental matters (page 8)

Bicycle Therapeutics plc
year ended 31 December 2025

Strategic Report (continued)

Below are examples of how the Board took into consideration its stakeholders' interests when making principal decisions during the year.

Initiation of Clinical Trials in NECTIN4 Gene Amplification

In May 2025 and August 2025, we announced that the ongoing Phase I/II clinical trials assessing the efficacy and safety of zelenectide pevonedotin in patients with NECTIN4 amplified advanced breast cancer and NECTIN4 amplified advanced or metastatic non-small cell lung cancer, respectively, were active and recruiting patients.

Presentation of Additional Human Imaging Data for MT1-MMP BRC Molecule

In April 2025, we presented additional human imaging data for an early BRC molecule targeting MT1-MMP at the AACR Annual Meeting 2025. We believe this data further supports the potential of MT1-MMP as a novel target in the treatment of cancer, demonstrates the translatability of BRC preclinical data and highlights the potential of Bicycle molecules for targeted radionuclide therapies and radiopharmaceutical imaging.

Announcement of First Human Imaging Data for Early BRC Molecule Targeting EphA2

In November 2025, we reported first human imaging data for an early BRC molecule targeting EphA2 at the Targeted Radiopharmaceuticals Summit Europe. The data supports the potential of EphA2 as a novel cancer target and demonstrates the positive properties of BRC molecules for radiopharmaceutical use.

Arrangements with NDA, UKNNL and SpectronRx

In December 2025, we announced our entrance into a 15-year contract, including an option to renew, with the UK Nuclear Decommissioning Authority, or NDA, for access to up to 400 tonnes of reprocessed uranium. Reprocessed uranium continually regenerates providing a potentially sustainable supply of lead-212, or ²¹²Pb, a radioisotope and one of the more potent therapeutic payloads against cancer cells known as Targeted Alpha Therapy. We also announced a collaboration with United Kingdom National Nuclear Laboratory, or UKNNL, pursuant to which we plan to extract thorium-228, or ²²⁸Th, from the reprocessed uranium obtained from NDA. The extracted ²²⁸Th will then be further processed into radium-224, or ²²⁴Ra, and loaded into a bespoke ²¹²Pb generator currently being developed exclusively for us by SpectronRx. Collectively, we believe this bespoke set of arrangements is designed to support the potential discovery, development and commercial supply of a portfolio of BRC molecules containing ²¹²Pb.

Cash and cash equivalents

Having sufficient cash and cash equivalents to fund our future plans is essential. The Board regularly monitors our cash and cash equivalents balance and cash flows. As of 31 December 2025, we had cash and cash equivalents of \$628.1 million.

In considering our cash flows, the Board considered the interests of its stakeholders, and in particular, its investors, collaborators and employees to enable us to advance our clinical and pre-clinical oncology pipeline.

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Strategic Report (continued)

This report was approved by the board of directors on 3 April 2026 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'Kevin Lee', written in a cursive style.

Kevin Lee
Director
17 April 2026

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Directors' Remuneration Report

Annual Statement from the Chair of the Compensation Committee

Dear Shareholders,

As the Chair of the Compensation Committee (the "Committee"), I am pleased to present, on behalf of the board of directors (the "Board") of Bicycle Therapeutics plc (the "Parent Company" and, together with its subsidiaries, the "Company", "Bicycle", "our", "we" or "us"), the Directors' Remuneration Report for the year ended 31 December 2025 (the "Remuneration Report").

The Remuneration Report will be subject to an advisory vote, and the Directors' Remuneration Policy (the "Remuneration Policy") will be subject to a binding vote, at the forthcoming Annual General Meeting to be held on 17 June 2026 (the "AGM"). If approved, it is intended that the Remuneration Policy will take effect from the date of approval and apply for a maximum period of three years (or until a revised policy is approved by shareholders). There are no other matters that the Parent Company requires approval for under Chapter 4A of Part 10 of the Companies Act 2006.

Introduction

The Remuneration Policy has not substantially changed from that approved by shareholders in 2023. The focus of the minor changes which have been made is to ensure the Remuneration Policy remains sufficiently flexible for the future. We believe that the proposed Remuneration Policy provides an appropriate framework to meet our objectives to establish a broad range of remuneration programs and policies, that both compensate and incentivise directors and senior executives to deliver growth in a long-term and sustainable manner, and that are aligned strategically with our shareholders to appropriately position the Company as a global pharmaceutical company.

As we move into 2026 and beyond, the Committee's role will be to continue to ensure that directors and senior executives are appropriately compensated and incentivised to deliver growth in a long-term and sustainable manner, and to continue establishing remuneration programs that are grounded in market practice, effective at driving proper executive behaviours, clearly link pay and performance and are cost-efficient overall to shareholders. Key considerations that guided the establishment of our Remuneration Policy and which will guide its implementation are described in more detail on page 25 of the Remuneration Report.

The global marketplace for talent

We are a pharmaceutical company headquartered in the U.K. and with operations in both the U.K. and the U.S. Given that the market for experienced directors and pharmaceutical executive talent, particularly in the U.S., is very competitive, the Committee references the U.S. market as the leading indicator for executive and director remuneration levels and practices. This will help attract and retain directors and motivate the superior executive talent needed to successfully manage the Company's complex global operations. Being consistent in this market view of the U.S. as the primary benchmark for remuneration practices for our Executive and Non-Executive Directors is key for us as we build our global operations in a manner designed to deliver sustainable long-term growth and shareholder value.

In taking any actions, the Committee is mindful of the general U.K. compensation framework, including investor bodies' guidance and the U.K. Corporate Governance Code, and has considered these when determining the remuneration programs and policies where it believes they best serve the long-term interests of shareholders.

Pay for performance

We believe that a significant portion of the remuneration of our Executive Director should be based on achieving objectives designed to create inherent value for us, and ultimately on achieving value creation for our shareholders. In line with this belief, the compensation of our Executive Director includes short term incentives based on corporate and personal goals. Similarly, all directors receive equity incentives designed to reward long-term value creation for our shareholders.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

2025 remuneration outcome

As outlined above, a core principle of Bicycle's Remuneration Policy is the link between pay and performance. In the financial year 2025 (being the year ended 31 December 2025), the annual bonus paid to Kevin Lee, our Chief Executive Officer ("CEO"), was determined by the Board following an assessment of the corporate and personal objectives achieved in the year. Kevin Lee received a bonus of 97% of his target bonus, which resulted in a total bonus pay out of 63% of salary earned for the financial year 2025. The bonus was paid in cash in February 2026. This outcome was based on achievements versus goals that included the following for 2025: clinical development goals to progress our product candidates zelenectide pevedotin, nuzefatide pevedotin (formerly BT5528), and BT7480; research and development goals to advance our discovery programs, including our Bicycle[®] radioligands pipeline and radioisotope supply; and organizational goals including extending our cash runway. In considering the above outcomes, the Committee assessed whether the outcomes reflected the underlying performance of the Company and concluded that no discretionary adjustments were required, and no discretions were exercised in relation to any other director's remuneration. Please see the remainder of the Remuneration Report for additional detail on this bonus outcome and the pay for performance linkage.

Kevin Lee also received two equity-based awards on 2 January 2025, being (i) an option grant over 308,000 ordinary shares with an exercise price of \$14.00, and (ii) an RSU grant over 123,200 ordinary shares.

Some of the key highlights of the 2025 year included:

- Reporting of updated topline Phase 1 Duravelo-1 combination data for zelenectide pevedotin plus pembrolizumab in first-line cisplatin-ineligible patients with metastatic urothelial cancer.
- Initiation of Phase I/II clinical trials for zelenectide pevedotin in NECTIN4-amplified breast cancer and NECTIN4-amplified non-small cell lung cancer.
- Reporting of first human imaging data for an early BRC molecule targeting EphA2 at the Targeted Radiopharmaceuticals Summit Europe.
- Presentation of additional human imaging data for an early BRC molecule targeting MT1-MMP at the American Association for Cancer Research Annual Meeting 2025.
- Entrance into contracts with the UK Nuclear Decommissioning Authority, United Kingdom National Nuclear Laboratory and SpectronRx which, collectively, are designed to support the potential discovery, development and commercial supply of a portfolio of BRC molecules containing lead-212.

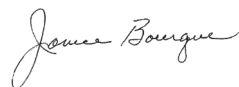
Other than determining remuneration outcomes and making grants, the Committee made no major decisions, and no significant changes were made, in relation to director remuneration during the financial year 2025.

Conclusion

The Committee believes the proposals put forth in this report will properly motivate our directors and senior executives to deliver sustainable growth and shareholder value over the long term and do so in a responsible and cost-efficient manner.

I hope that you find the information in this report helpful and I look forward to your support at our AGM.

Yours sincerely,



Janice Bourque
Chair of the Compensation Committee
17 April 2026

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Remuneration Policy

This part of the Remuneration Report sets out the Remuneration Policy and has been prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, the Companies (Miscellaneous Reporting) Regulations 2018, and the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019.

The Remuneration Policy will be put forward for approval by shareholders in a binding vote at the forthcoming AGM on 17 June 2026. If approved, it is intended that the Remuneration Policy will take effect from the date of approval and apply for a maximum period of three years (or until a revised policy is approved by shareholders).

The Remuneration Policy has not substantially changed from that approved by shareholders on 13 June 2023. The focus of the minor changes which have been made is to ensure the Remuneration Policy remains sufficiently flexible for the future.

The scenario charts reflect the intended application of the new policy (assuming it is approved) for the 2026 financial year. A copy of the previously approved policy is in the Annual Report and Financial Statements for the Year Ended 31 December 2022, which is available on the Company's website at <https://investors.bicycletherapeutics.com/annual-reports>.

Key considerations when determining the Remuneration Policy

The Committee designed the Remuneration Policy with a number of specific objectives in mind. The Remuneration Policy should:

- attract, retain and motivate high calibre senior management and focus them on the delivery of the Company's strategic and business objectives;
- encourage a corporate culture that promotes the highest level of integrity, teamwork and ethical standards;
- be competitive against appropriate market benchmarks (being predominantly the U.S. biotech sector) and have a strong link to performance, providing the ability to earn above-market rewards for strong performance;
- be simple and understandable, both internally and externally;
- encourage increased equity ownership to motivate executives in the overall interests of shareholders, the Company, employees and customers; and
- take due account of good governance and promote the long-term success of the Company.

In seeking to achieve the above objectives, the Committee is mindful of the views of a broad range of stakeholders in the business and accordingly takes account of a number of factors when setting remuneration including: market conditions; pay and benefits in relevant comparator organisations; terms and conditions of employment across the Company; the Company's risk appetite; the expectations of institutional shareholders; and any specific feedback received from shareholders and other stakeholders.

Remuneration Policy table

The table in the following pages sets out, for each element of pay, a summary of how remuneration is structured and how it supports the Company's strategy.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

Executive Directors

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Base salary			
<p>To recruit and retain Executive Directors of the highest calibre who are capable of delivering the Company's strategic objectives, reflecting the individual's experience and role within the Company.</p> <p>Base salary is designed to provide an appropriate level of fixed income to avoid any over-reliance on variable pay elements that could encourage excessive risk taking.</p>	<p>Salaries are normally reviewed annually, and changes are generally effective from 1 January each year.</p> <p>The annual salary review for Executive Directors takes a number of factors into consideration, including:</p> <ul style="list-style-type: none"> • business performance; • salary increases awarded to the overall employee population; • skills and experience of the individual over time; • scope of the individual's responsibilities; • changes in the size and complexity of the Company; • market competitiveness assessed by periodic benchmarking; and • the underlying rate of inflation. <p>If salary is set in USD but paid to a U.K.-based Executive Director it will be converted and paid in GBP pursuant to the terms of the applicable service agreement or company policy (as amended from time to time).</p>	<p>Whilst there is no prescribed formulaic maximum, any increases will take into account prevailing market and economic conditions and the approach to employee pay throughout the organisation.</p> <p>In assessing base salaries, the Committee takes into account market data, but does not target a specific percentile when setting pay levels, rather considers it as one factor along with several others including Company and individual performance, tenure, past experiences and expected future contributions. Base salary increases are awarded at the discretion of the Committee; however, salary increases will normally be no greater than the general increase awarded to the wider workforce, in percentage of salary terms unless the salary is meaningfully below peers.</p> <p>In addition, a higher increase may be made where an individual had been appointed to a new role at below-market salary while gaining experience. Subsequent demonstration of strong performance may result in a salary increase that is higher than that awarded to the wider workforce.</p>	<p>Not performance related.</p>

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Benefits			
Reasonable benefits-in-kind are provided to support Executive Directors in carrying out their duties and assist with retention and recruitment.	The Company aims to offer benefits that are in line with market practice.	Not applicable	Not performance related.
	The main benefits currently provided include private health insurance, long-term disability, critical illness and death in service.		
	Under certain circumstances the Company may offer relocation allowances or assistance.		
	Expatriate and other benefits related to tax administration may be offered where relevant including tax equalisation fees for tax advice associated with completion of tax returns and, if relevant, any gross-up for tax.		
	Travel, accommodation and any reasonable business-related expenses (including tax thereon) may be reimbursed.		
	Executive Directors may become eligible for other benefits in the future where the Committee deems it appropriate. Where additional benefits are introduced for the wider workforce, Executive Directors may participate on broadly similar terms.		
Executive Directors are eligible to participate in the Company's all-employee share plans on the same terms as other employees in the jurisdiction in which they are engaged.			

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Pensions			
The Company aims to provide a contribution towards life in retirement.	Executive Directors are eligible to receive employer contributions to the Company's Group Personal Pension Scheme or a salary supplement in lieu of pension benefits, or a mixture of both.	Up to 12% of salary per annum, or such higher percentage as may be provided to C-level executives and senior managers in the relevant jurisdiction.	Not performance related.

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Annual Performance Bonus			
<p>The annual bonus scheme rewards the achievement of stretching objectives that support the Company's corporate goals and delivery of the business strategy.</p>	<p>Bonuses are determined based on annual corporate and personal performance measures and targets that are agreed between the Executive Directors and the Board (following the Committee's recommendation) for each financial year.</p> <p>Bonuses may be paid in cash or in equity awards.</p> <p>A deferral period may be applied to bonuses.</p> <p>The Committee may, in appropriate circumstances, override the formulaic outcome to amend the bonus payout or provide for an additional bonus payment, should this not, in the view of the Committee, reflect overall business performance or individual contribution.</p>	<p>The maximum target bonus opportunity for Executive Directors is 80% of salary, with a maximum bonus opportunity of up to two times the target opportunity (i.e., a maximum total of 160% of salary).</p> <p>Payout will typically be on a straight-line basis for performance between target and maximum.</p> <p>For performance below target, payout will typically be on a straight-line basis between zero and target.</p> <p>The Committee may, in appropriate circumstances, waive the maximum target bonus opportunity for Executive Directors where an additional bonus payout is made to reflect overall business performance or individual contribution.</p>	<p>Performance measures and targets are determined by the Committee each year and may vary to ensure that they promote the Company's business strategy and shareholder value.</p> <p>The performance measures may include financial, strategic and/or personal objectives. The weighting of the measures and the applicable targets will be considered and determined by the Committee each year, taking into account the Company's business strategy.</p> <p>Performance is typically tested over a financial year of the Company.</p> <p>The Committee may alter the bonus outcome (up or down) if it considers that the pay-out derived from a formula is inconsistent with the Company's or the individual's overall performance, or taking account of any factors it considers relevant. This will help ensure that payments reflect overall Company performance and other circumstances during the period.</p>

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Annual Performance Bonus (continued)			

The Committee may, in appropriate circumstances, disapply any performance measures or award a bonus without such performance measures, should they not, in the view of the Committee, reflect overall business performance or individual contribution.

Bonuses may be subject to clawback or other recovery pursuant to the Company's incentive compensation recoupment policy which is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Exchange Act, Rule 10D-1 promulgated thereunder and Nasdaq Listing Rule 5608.

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
2019 Share Option Plan ("SOP")			
<p>The SOP is designed to incentivise the successful execution of business strategy over the longer term and provide long-term retention.</p> <p>Facilitates share ownership to provide further alignment with shareholders.</p>	<p>No new options will be granted under the SOP.</p> <p>Awards will typically be granted annually, in the form of options although may also be granted more or less frequently.</p> <p>Options are typically subject to vesting over a four-year period, with 25% of the award vesting on the first anniversary of the grant, and the remainder vesting in equal monthly instalments thereafter. The Committee may vary the vesting schedule of options as it considers appropriate.</p> <p>The Committee may unilaterally modify the terms of equity awards, in particular to reprice underwater options to provide for a lower exercise price.</p> <p>The Committee has discretion to decide whether and to what extent any deferral or holding period applies to options or to the shares acquired on the exercise of options.</p>	<p>There is no defined maximum opportunity under the SOP. However, the Committee will generally work within the benchmarking guidelines provided by our compensation consultants. We seek to establish equity-based remuneration competitive to that offered by a set of comparable companies with whom we may compete for talent.</p>	<p>Performance conditions may apply to awards. Such may be strategic objectives which may include milestones events, financial, strategic and/or personal objectives.</p> <p>Share options are granted with an exercise price no less than the fair market value of the shares on the date of grant. Accordingly, share options will only have value to the extent the Company's share price appreciates following the date of grant.</p> <p>Any performance conditions set will be designed to incentivise performance in support of the Company's strategy and business objectives.</p> <p>The Committee has flexibility to vary the mix of measures or introduce new measures for each subsequent award taking into account business priorities at the time of grant.</p> <p>The Committee may amend, relax or waive performance conditions if it considers that they have become unfair or impractical. This will help ensure that vesting reflects overall Company performance during the period.</p> <p>Options vest in full on a change of control.</p>

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Directors' Remuneration Report (continued)

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
2020 Equity Incentive Plan ("EIP") (or any supplemental or successor equity plan)			
<p>The EIP is designed to incentivise the successful execution of business strategy over the longer term and provide long-term retention.</p> <p>Facilitates share ownership to provide further alignment with shareholders.</p>	<p>Awards may be granted in the form of options, share appreciation rights, restricted shares, restricted share units or such other form as may be permitted under the EIP or by any other equity incentive plan operated by the Company from time to time.</p> <p>Awards will typically be granted annually to continuing employees, although may also be granted more or less frequently.</p> <p>Awards are typically subject to vesting over a four-year period, with 25% of the award vesting on the first anniversary of the grant, and the remainder vesting either in equal monthly or quarterly instalments thereafter. The Committee may vary the vesting schedule of awards as it considers appropriate and may also impose performance conditions.</p> <p>Where performance conditions are not imposed, awards will be subject to time-based conditions only, consistent with market practice for the Company's U.S. listed peers.</p> <p>The Committee has discretion to decide whether and to what extent any deferral or holding period applies to awards or to the shares acquired following the vesting of awards.</p>	<p>There is no defined maximum opportunity under the EIP. However, the Committee will generally work within the benchmarking guidelines provided by our compensation consultants. We seek to establish equity-based remuneration competitive to that offered by a set of comparable companies with whom we may compete for talent.</p>	<p>Performance conditions may apply to awards. Any such conditions will be determined by the Committee and may be strategic objectives which may include milestones events, financial, market, strategic and/or personal objectives.</p> <p>Any performance conditions set will be designed to incentivise performance in support of the Company's strategy and business objectives.</p> <p>The weighting of the measures and the applicable targets will be considered and determined by the Committee when granting awards subject to performance conditions, taking into account the Company's business strategy.</p> <p>Performance is typically tested over a period of between one and three financial years of the Company.</p> <p>If performance conditions are set, there will be no vesting for performance below target. Vesting will typically start once target performance has been achieved, and on a straight-line basis for performance between target and maximum or may operate on a binary basis with no vesting below target, and full vesting once the target has been achieved.</p>

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
2020 Equity Incentive Plan ("EIP") (or any supplemental or successor equity plan) (continued)			
	<p>The Committee may unilaterally modify the terms of share options, in particular to reprice underwater options to provide for a lower exercise price.</p>		<p>The Committee has flexibility to vary the mix of measures or introduce new measures for each subsequent award taking into account business priorities at the time of grant.</p> <p>The Committee may amend, relax or waive performance conditions if it considers that they have become unfair or impractical. This will help ensure that vesting reflects overall Company performance during the period. Awards vest in full on a change of control.</p> <p>Equity awards may be subject to clawback or other recovery pursuant to the Company's incentive compensation recoupment policy which is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Exchange Act, Rule 10D-1 promulgated thereunder and Nasdaq Listing Rule 5608.</p>

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Chair and Non-Executive Directors

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Fees and benefits			
<p>To attract Non-Executive Directors who have a broad range of experience and skills to provide independent judgement on issues of strategy, performance, resources and standards of conduct.</p>	<p>Non-Executive Directors receive an annual retainer, comprising a base fee plus additional fees for Committee Chairpersonship or membership. Such fees are set based on peer group comparator data.</p> <p>Non-Executive Directors who participate and serve on any membership committee or advisory board of or for the Company may also receive a retainer paid annually or for each meeting attended. Such fees are set based on peer group comparator data.</p> <p>Fees may be paid in cash or in equity awards.</p> <p>The Chair's fee is reviewed annually by the Committee (without the Chair present). Fee levels for the Non-Executive Directors are determined by directors upon the recommendation of the Committee.</p> <p>When reviewing fee levels, account is taken of market movements in fee levels, Board committee responsibilities, ongoing time commitments and the general economic environment.</p> <p>In exceptional circumstances, if there is a temporary yet material increase in the time commitments for Non-Executive Directors, the Board may pay additional fees to recognise that additional workload.</p>	<p>When reviewing fee levels, account is taken of market movements in the fees of Non-Executive Directors, Board Committee responsibilities and ongoing time commitments, as well as the underlying rate of inflation.</p> <p>Actual fee levels are disclosed in the Directors' Remuneration Report for the relevant financial year.</p>	<p>Not performance related.</p>

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

<u>Purpose and link to strategy</u>	<u>Operation</u>	<u>Maximum opportunity</u>	<u>Performance metrics</u>
Fees and Benefits (continued)			
	<p>Non-Executive Directors ordinarily do not participate in any pension, bonus or performance-based share incentive plans. Travel, accommodation and other business-related expenses incurred in carrying out the role as well as fees for tax advice associated with completion of international tax returns will be paid by the Company including, if relevant, any gross-up for tax.</p> <p>Tax equalisation benefits may be provided to Non-Executive Directors who are required to relocate or become tax resident in a new jurisdiction.</p> <p>Non-Executive Director fees are generally denominated and paid in USD but may be denominated and/or paid in GBP, USD, or a combination depending on the personal situation of each Non-Executive Director. Any currency conversions are calculated in accordance with the applicable Company procedure from time to time.</p> <p>Non-Executive Director fees in respect of those Non-Executive Directors who are appointed by an investor (or group of investors) in the Parent Company may be paid to those investor(s) on behalf of the relevant Non-Executive Director.</p> <p>Non-Executive Director fees paid in cash are payable in arrears in twelve monthly instalments, subject to deduction of applicable income tax or national insurance which the Company is required by law to deduct and any other statutory deductions, provided that the amount of such payment shall be prorated for any portion of such month during which the Non-Executive Director was not serving.</p>		

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

<u>Purpose and link to strategy</u>	<u>Operation</u>	<u>Maximum opportunity</u>	<u>Performance metrics</u>
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Fees and Benefits (continued)

Current or former Non-Executive Directors may be paid in cash or other benefits in respect of additional consulting or advisory work which is separate and in addition to their role as a director. Any such arrangements will be disclosed in the report for the relevant year where required.

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

<u>Purpose and link to strategy</u>	<u>Operation</u>	<u>Maximum opportunity</u>	<u>Performance metrics</u>
Equity Awards			
<p>To facilitate share ownership and provide alignment with shareholders.</p>	<p>Non-Executive Directors may receive equity awards under the EIP (or options, share appreciation rights, restricted shares, restricted share units or such other form as may be permitted by any other equity incentive plan operated by the Company from time to time).</p> <p>Non-Executive Directors will generally receive an initial equity award upon appointment or election. Initial equity awards normally vest over a period of three years from the date of appointment, or over another period of time as the Committee may determine, subject generally to continued service.</p> <p>In addition, Non-Executive Directors may be granted awards annually with such time-based vesting terms as the Committee may determine. If a new Non-Executive Director joins the Board following the date of grant of an annual grant in any calendar year, such Non-Executive Director will be granted a pro rata portion of the next annual grant, based on the time between his or her appointment and the date of such annual grant.</p> <p>The Committee may, in its sole discretion, provide for deferred settlement of RSUs awarded to a Non-Executive Director.</p> <p>Additional grants may be made during a year if appropriate in the circumstances.</p> <p>The Committee may unilaterally modify the terms of equity awards, in particular to reprice underwater options to provide for a lower exercise price.</p>	<p>There is no maximum award level for equity awards to Non-Executive Directors.</p> <p>The size of the equity awards is determined by the full Board, upon recommendation of the Compensation Committee.</p> <p>When reviewing award levels, account is taken of market movements in equity awards, Board committee responsibilities, ongoing time commitments and the general economic conditions.</p>	<p>Not performance related.</p> <p>Awards vest in full on a change of control.</p>

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Notes to the policy table

Legacy arrangements

For the duration of this Remuneration Policy, the Company will honour any commitments made in respect of current or former directors before the date on which either: (i) the Remuneration Policy becomes effective; or (ii) an individual becomes a director, even when not consistent with the Remuneration Policy set out in this report or prevailing at the time such commitment is fulfilled, in each case subject to the terms of any prior policy in place at the time such awards or commitments were granted or made, if applicable. For the avoidance of doubt, all outstanding historic awards that were granted in connection with, or prior to, listing on Nasdaq and/or under the SOP remain eligible to vest based on their original or modified terms.

Payments may be made in respect of existing awards under the SOP and the Committee may exercise any discretions available to it in connection with such awards in accordance with the rules of the SOP and relevant award documentation. Options granted under the SOP vest in full on a change of control.

Performance conditions

The choice of annual bonus performance metrics reflects the Committee's belief that any incentive remuneration should be appropriately challenging and tied to the delivery of key strategic objectives intended to ensure that Executive Directors are incentivised to deliver across a range of objectives for which they are accountable. The Committee has retained flexibility on the specific measures which will be used to ensure that any measures are fully aligned with the strategic imperatives prevailing at the time they are set.

The targets for the bonus scheme for the forthcoming year will be set out in general terms, subject to limitations with regards to commercial sensitivity. The full details of the targets will be disclosed when they are in the public domain and are no longer considered commercially sensitive.

Where used, performance conditions applicable to EIP awards (or other equity incentive plans operated by the Company from time to time) will be aligned with the Company's objective of delivering superior levels of long-term value to shareholders. Prior to each award, the Committee has flexibility to select measures that are fully aligned with the strategy prevailing at the time awards are granted.

The Committee will review the calibration of targets applicable to the annual bonus, and the EIP in years where performance measures apply, annually to ensure they remain appropriate and sufficiently challenging, taking into account the Company's strategic objectives and the interests of shareholders.

Recovery and withholding

The Company operates an incentive compensation recoupment policy providing for the Company's recoupment of recoverable incentive compensation that is received by certain executive officers of the Company under certain circumstances. Such clawback policy is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Exchange Act, Rule 10D-1 promulgated thereunder and Nasdaq Listing Rule 5608. The Committee reserves the right to make any remuneration payments subject to additional withholding or recovery in appropriate circumstances and to establish an additional policy on recovery and withholding in the future.

Differences in remuneration policy between Executive Directors and other employees

The overall approach to reward for employees across the workforce is a key reference point when setting the remuneration of the Executive Directors. When reviewing the salaries of the Executive Directors, the Committee pays close attention to pay and employment conditions across the wider workforce and in normal circumstances the increase for Executive Directors will be no higher than the average increase for the general workforce.

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

The key difference between the remuneration of Executive Directors and that of our other employees is that, overall, at senior levels, remuneration is increasingly long-term, and 'at risk' with an emphasis on performance-related pay linked to business performance and share-based remuneration. This ensures that remuneration at senior levels will increase or decrease in line with business performance and provides alignment between the interests of Executive Directors and shareholders. In particular, long-term incentives are provided only to the most senior executives as they are reserved for those considered to have the greatest potential to influence overall levels of performance.

Committee discretion in operation of variable pay schemes

The Committee operates under the powers it has been delegated by the Board. In addition, where relevant, it complies with rules that are either subject to shareholder approval or by approval from the Board. These rules provide the Committee with certain discretions which serve to ensure that the implementation of the Remuneration Policy is fair, both to the individual director and to the shareholders. The Committee also has discretions to set components of remuneration within a range, from time to time. Where appropriate, the extent of such discretions is set out in the relevant rules and/or described in the policy table above. To ensure the efficient administration of the variable incentive plans outlined above, the Committee will apply certain operational discretions.

These include the following:

- selecting the individuals who will receive awards under the plans on an annual basis;
- determining the timing of grants of awards and/or payments;
- determining the quantum of awards and/or payments;
- determining the choice (and adjustment) of any performance measures and targets, vesting schedules, exercise prices (where applicable), option repricing (where applicable) and other award terms for each incentive plan;
- determining the extent of vesting, including for leavers;
- making the appropriate adjustments (including to any performance targets) required in certain circumstances, for instance for changes in capital structure;
- determining "good leaver" status and the impact of certain corporate events, if applicable, for incentive plan purposes and determining and applying the appropriate treatment;
- interpreting the plan rules and award agreements where necessary; and
- undertaking the annual review of weighting of performance measures and setting targets for the annual bonus plan and other incentive schemes, where applicable, from year to year.

If an event occurs which results in the annual bonus plan or EIP (where performance conditions apply) performance conditions and/or targets being deemed unfair or impractical (e.g. material acquisition or divestment), the Committee will have the ability to make amend, relax or waive (and/or recommend such alterations to the Board for approval) to the measures and/or targets and alter weightings. Any use of the above discretion would, where relevant, be explained in the Annual Report on Remuneration.

The Committee retains the discretion to award ad hoc bonus payments outside the annual bonus plan, if an event or circumstance occurs in which the annual bonus plan does not reflect the overall business performance, individual contribution or external factors which impacts the workforce. Any use of the above discretion would, where relevant, be explained in the Annual Report on Remuneration.

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Directors' Remuneration Report (continued)

The Committee may make minor amendments to the Remuneration Policy (for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for that amendment.

Shareholder views

The Board is committed to dialogue with shareholders and intends to engage directly with them and their representative bodies when considering any significant changes to our remuneration arrangements. The Committee will consider shareholder feedback received following the AGM, as well as any additional feedback and guidance received from time to time. This feedback will be considered by the Committee as it develops the Company's remuneration framework and practices going forward. Assisted by its independent adviser, the Committee also actively monitors developments in the expectations of institutional investors and their representative bodies.

Employment conditions

The Committee is regularly updated throughout the year on pay and conditions applying to Company employees. Where significant changes are proposed to employment conditions and salary levels elsewhere in the Company these are highlighted for the attention of the Committee at an early stage and the Committee will take such employment considerations into account when setting directors' remuneration.

Whilst the Committee does not currently consult directly with employees regarding its policy for directors, the Committee is considering the best method of bringing the employee voice to the boardroom.

Other remuneration policies

Remuneration for new appointments

Where it is necessary to appoint or replace an Executive Director or to promote an existing Executive Director, the Committee's approach when considering the overall remuneration arrangements in the recruitment of a new Executive Director is to take account of the calibre, expertise and responsibilities of the individual, his or her remuneration package in their prior role and market rates. Remuneration will be in line with the Remuneration Policy and the Committee will not pay more than is necessary to facilitate their recruitment.

The remuneration package for a new Executive Director will be set in accordance with the terms of the Company's approved remuneration policy in force at the time of appointment. Further details are provided below:

Salary	<p>The Committee will set a base salary appropriate to the calibre, experience and responsibilities of the new appointee. In arriving at a salary, the Committee may take into account, amongst other things, the market rate for the role and internal relativities.</p> <p>The Committee has the flexibility to set the salary of a new Executive Director at a lower level initially, with a series of planned increases implemented over the following few years to bring the salary to the desired positioning, subject to individual performance.</p> <p>In exceptional circumstances, the Committee has the ability to set the salary of a new Executive Director at a rate higher than the market level to reflect the criticality of the role and the experience and performance of the individual.</p>
Benefits	<p>Benefits will be consistent with the principles of the policy set out on page 27. The Company may award certain additional benefits and other allowances including, but not limited to, those to assist with relocation support, temporary living and transportation expenses, educational costs for children, reimbursement of fees for tax advice associated with completion of international tax returns and tax equalisation to allow flexibility in employing an overseas national.</p>
Pension benefits	<p>A maximum employer pension contribution of 12% of salary, or such higher percentage as may be provided at that time to C-level executives and senior managers in the relevant jurisdiction (or equivalent cash allowance), may be payable for external appointments, consistent with the principles of the policy set</p>

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Directors' Remuneration Report (continued)

out on page 28. For an internal appointment, his or her existing pension arrangements may continue to operate. Any new Executive Director based outside the U.K. will be eligible to participate in pension or pension allowance, insurance and other benefit programmes in line with local practice.

Annual bonus Bonus will be consistent with the principles of the policy set out on page 29. Accordingly, the maximum target bonus opportunity is 80% of base salary and the maximum bonus opportunity for new appointments is 160% of base salary.

Other cash or equity-based awards Executive Directors may receive awards under the EIP (or other equity incentive plan operated by the Company from time to time) on appointment. The Committee will assess and determine the award level, award vehicle, performance conditions and vesting schedule for each individual on a case-by-case basis and as such no maximum award size applies. In addition, Executive Directors are eligible to participate in the Company's all-employee share plans on the same terms as other employees in the jurisdiction in which they are engaged.

In addition, the Committee may offer additional cash and/or equity-based elements in order to "buy-out" remuneration relinquished on leaving a former employer. Any awards made in this regard may have no performance conditions, or different performance conditions, or a different vesting schedule compared to the Company's existing plans, as the Committee considers appropriate.

Depending on the timing and responsibilities of the appointment, it may be necessary to set different annual bonus or EIP performance measures and targets as applicable to other Executive Directors.

The terms of appointment for a Non-Executive Director would be in accordance with the approved remuneration policy for Non-Executive Directors in force at the time of the appointment.

Service contracts and termination policy

Executive Directors have rolling service agreements (entered into with the Parent Company or a subsidiary thereof) which may be terminated in accordance with the terms of these agreements. The period of notice for Executive Directors (to be given by the employer or the Executive Director) will not normally exceed 6 months. Executive Directors' service agreements are available for inspection at the Parent Company's registered office during normal business hours and will also be available to the public if required to be filed by the Parent Company with the SEC. The terms of the current Executive Director's service contract are:

<u>Name</u>	<u>Position</u>	<u>Date of service contract</u>	<u>Notice period</u>
Kevin Lee	Chief Executive Officer	26 September 2019	6 months either party

The Company's policy on remuneration for Executive Directors who leave the Company is set out below. The Committee will exercise its discretion when determining amounts that should be paid to leavers (other than in respect of the relevant leaver's contractual entitlements which will be respected), taking into account the facts and circumstances of each case. Where applicable, the Company may elect to make a payment in lieu of notice ("PILON") equivalent in value to basic salary and contractual benefits for any unexpired portion of the notice period (but excluding any annual bonus or holiday entitlement that would have otherwise accrued during the notice period).

Where the Executive Director is terminated by the Company without "Cause" (as defined in the service agreement), by the Executive Director for "Good Reason" (as defined in the service agreement), or on the Executive Director's death, severance pay in addition to any potential PILON and any entitlements in respect of the year to the date of termination in accordance with the applicable terms shall be paid to an Executive Director as set out below, subject to the Executive Director signing a waiver of claims:

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Directors' Remuneration Report (continued)

Element of pay / benefit	Termination other than within 12 months after a relevant "Change in Control" (as defined in the service agreement)	Termination within 12 months after a relevant "Change in Control" (as defined in the service agreement)
Salary	A lump sum payment equal to 12 months' salary payable.	A lump sum payment equal to 24 months' salary payable.
Contractual benefits	A lump sum payment equal to the cost to the Company of providing contractual benefits for 12 months (or continuation of such benefits).	A lump sum payment equal to the cost to the Company of providing contractual benefits for 24 months (or continuation of such benefits).
Annual bonus	Not applicable.	A lump sum payment equal to 1.5 times target bonus will be paid.
Share Option Plan (legacy awards)	Options treated in accordance with plan rules. Good leavers may exercise their options to the extent vested at the time of termination within 12 months after termination. The Committee has the discretion to accelerate vesting in whole or in part, to extend the exercise window, and/or to waive any applicable performance conditions in whole or in part.	Options subject to time-based vesting (only) accelerate, vest and become exercisable in full. Options subject to performance conditions treated in accordance with plan rules (as described at left).
Equity Incentive Plan	Awards treated in accordance with plan rules. Unless otherwise determined by the Committee, unvested equity awards lapse on the date of termination of service.	Awards vest in full on a change of control.

The Company is unequivocally against rewards for failure; the circumstances of any departure, including the individual's performance, would be taken into account in every case. Statutory redundancy payments may be made. Service agreements may be terminated summarily without notice (or on shorter notice periods) and without payment in lieu of notice in certain circumstances, such as gross misconduct or any other material breach of the obligations under their employment contract. The Company may require the individual to work during their notice period or may place them on garden leave during which they would be entitled to full pay and benefits.

Except in the case of gross misconduct or resignation, the Company may at its absolute discretion reimburse for reasonable professional fees relating to the termination of employment and, where an Executive Director has been required to re-locate, to pay reasonable repatriation costs, including possible tax exposure costs and/or settle any other amount the Committee considers reasonable including any statutory entitlements or sums to settle or compromise claims or potential claims in connection with a termination (including, at the discretion of the Committee, reimbursement for legal advice and provision of outplacement services).

If post-termination services are to be provided by the Executive Director, the Company may also enter into a consultancy agreement with such Executive Director on such terms as may be agreed between the Company and the Executive Director at the time.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

Policy on external appointments

The Board believes that it may be beneficial to the Company for executives to hold certain roles outside the Company provided that the Company's business takes priority. Any such appointments are subject to approval by the Board and the director may retain any fees received. Kevin Lee is currently a director of Alchemab Therapeutics Limited and Macomics Limited. During the year ended 31 December 2025, he received an aggregate of £105k (2024: £105k) per annum in fees related to external appointments.

Non-Executive Directors' terms of engagement

Each of the Non-Executive Directors is engaged under a Non-Executive Director appointment letter. Each appointment is normally terminable by either party on no more than three months' written notice (or, in some cases, payment in lieu of notice), but may be terminated immediately in certain circumstances. Under our articles of association, our Board is divided into three classes (Class I, Class II and Class III), with members of each class serving staggered three-year terms. In the event of termination, the Chair and Non-Executive Directors are only entitled to fees accrued to the date of termination together with reimbursement of expenses properly incurred before that date.

The dates of appointment of each of the Non-Executive Directors serving at 31 December 2025 are summarised in the table below. The Parent Company was incorporated on 27 October 2017.

Non-Executive Directors	Date of appointment letter	Date of appointment
Felix Baker (Chairman)	16 April 2024	18 April 2024
Janice Bourque	18 July 2019	18 July 2019
Roger Dansey	9 September 2025	8 September 2025
Jose-Carlos Gutierrez-Ramos	17 March 2021	17 March 2021
Hervé Hoppenot	9 September 2025	8 September 2025
Alessandro Riva	25 March 2025	25 March 2025
Stephen Sands	17 February 2024	20 February 2024
Charles Swanton	12 August 2025	12 August 2025
Sir Gregory Winter	24 May 2019	4 December 2017

Non-Executive Directors' letters of appointment are available for inspection at the Parent Company's registered office during normal business hours and will be available for inspection at the AGM.

A company affiliated with Pierre Legault, former Chairman of the Board of Directors, Stone Atlanta Estates LLC, entered into a consulting agreement with Bicycle Therapeutics Inc. dated 15 March 2019 and provided consultancy services of \$0.1 million during the year ended 31 December 2025, prior to Mr. Legault's retirement as Chairman of the Company's Board of Directors (2024: \$0.3 million). In March 2025, the Company and Mr. Legault entered into an amendment to the consulting agreement, effective as of 17 June 2025, the date of Mr. Legault's retirement as Chairman. The amendment modifies the compensation payable under the agreement and provides for expiration of the agreement no later than 30 June 2028.

BicycleTx Limited has also entered into a consultancy services agreement with UCL Consultants Limited effective 30 July 2024 under which UCL Consultants Limited will procure the provision of consulting services by Charles Swanton, a member of the Board of Directors, to the Company. In consideration of the services provided, BicycleTx Limited shall pay an annual fee of \$110,000. The agreement has an initial term of two years and thereafter shall automatically renew for successive periods of one year for up to two further years unless either party gives the other party written notice of its intent not to renew at least 30 days prior to the end of the then-current term. The agreement may be terminated by either party upon 30 days' written notice.

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Directors' Remuneration Report (continued)

Jose-Carlos Gutierrez-Ramos, a member of the Board of Directors, has entered into a consultancy agreement with BicycleTx Limited effective 19 May 2025 under which it will procure consultancy services from Dr. Gutierrez-Ramos. In consideration of the services provided by Dr. Gutierrez-Ramos, BicycleTx Limited shall pay an annual fee of \$115,000. The agreement has an initial term of two years and thereafter shall automatically renew for successive periods of one year for up to two further years unless either party gives the other party written notice of its intent not to renew at least 30 days prior to the end of the then-current term. The agreement may be terminated by either party upon one months' written notice.

Roger Dansey, a member of the Board of Directors, has entered into a consultancy agreement with BicycleTx Limited effective 1 November 2025 under which it will procure consultancy services from Dr. Dansey. In consideration of the services provided by Dr. Dansey, BicycleTx Limited shall pay a monthly retainer of \$9,600. The agreement has an initial term of one year and thereafter shall automatically renew for successive periods of one year for up to three further years unless either party gives the other party written notice of its intent not to renew at least 30 days prior to the end of the then-current term. The agreement may be terminated by either party upon one months' written notice.

Remuneration scenario for Executive Director

The charts below show an estimate of the 2026 remuneration package for the Executive Director under three assumed performance scenarios and these scenarios are based on the Remuneration Policy set out above which will be applicable if it is approved. No performance obligations apply to equity-based awards so they are not included.

Minimum (comprising fixed pay only)

Base salary as of 1 January 2026 of \$910k, converted by reference to the GBP : USD exchange rate on 31 December 2025 of 1 : 1.34384, cash in lieu of pension of 12% of base salary net of employer National Insurance costs of the cash in lieu and benefits of \$3k.

Target

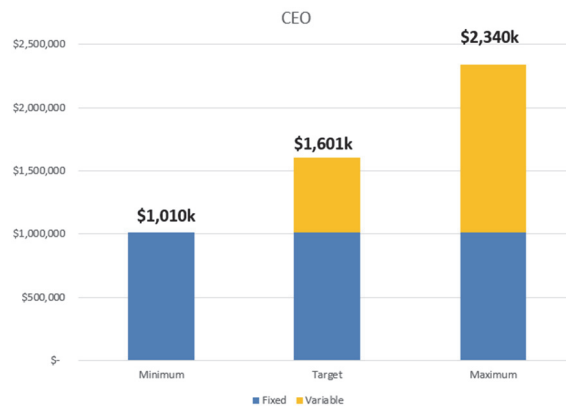
Fixed pay as above.

Assumes the Executive Director's target bonus of 65% of base salary for 2026.

Maximum

Fixed pay as above.

Assumes maximum bonus payout under the 2026 remuneration package of 146% of base salary.



Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Annual Report on Remuneration

This part of the report has been prepared in accordance with Part 3 of The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 and section 420 of the Companies Act 2006. The Annual Report on Remuneration and the Annual Statement by the Chair of the Compensation Committee will be put to a single advisory shareholder vote at the AGM to be held on 17 June 2026. The information from the single total figure of directors' remuneration on page 47 to the end of the section on payments to former directors and for loss of office on page 52 has been audited. The remainder of the Annual Report on Remuneration is unaudited.

Compensation Committee

The current members of the Committee, who are all independent, are Janice Bourque (as Chair of the Committee), Jose-Carlos Gutierrez-Ramos, Hervé Hoppenot and Stephen Sands. Mr. Hoppenot and Mr. Sands were appointed to the Committee on 8 September 2025 and 17 June 2025, respectively. During the year, the Committee also included Richard Kender who resigned from the Committee on 17 June 2025. Decisions of the Committee are made by majority vote or by unanimous written consent.

The Chair and members of management, the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and the Chief Operating Officer, are invited to attend meetings where appropriate. Attendees who are not members of the Committee are not involved in any decisions, are not present for any discussions regarding their own remuneration and did not materially assist the Committee.

No conflicts of interest have arisen during the year and none of the members of the Committee has any personal financial interest in the matters discussed, other than as holders of shares and/or equity awards. The fees of the Non-Executive Directors are approved by the Board on the joint recommendation of the Committee and the CEO/Executive Director.

Meetings attendance

<u>Director</u>	<u>Meetings Attended</u>
Janice Bourque	7 of 7 ¹
Richard Kender	3 of 4 ²
Jose-Carlos Gutierrez-Ramos	6 of 7 ¹
Hervé Hoppenot	3 of 3 ³
Stephen Sands	3 of 3 ⁴

(1) Seven meetings of the Committee took place during Janice Bourque's and Jose-Carlos Gutierrez-Ramos' tenure.

(2) Four meetings of the Committee took place during Richard Kender's tenure.

(3) Three meetings of the Committee took place during Hervé Hoppenot's tenure.

(4) Three meetings of the Committee took place during Stephen Sands' tenure.

Independent advisors

Independent objective advice on executive remuneration is received from the Human Capital Solutions practice of Aon plc ("Aon"). Aon is a member of the Remuneration Consultants Group and is a signatory to its Code of Conduct. Aon advises the Committee on all aspects of senior executive remuneration. Since the IPO, Aon was appointed by the Committee following a competitive tender process, and has since been retained to assist with the drafting of the Remuneration Policy and has kept the Committee up to date on remuneration trends and corporate governance best practice. Aon does not have any other remuneration-unrelated connection with the Company and is considered to be independent by the Committee. During the year ended 31 December 2025, fees charged by Aon for advice provided to the Committee for 2025 amounted to \$446k (year ended 31 December 2024: \$459k).

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Activity in the year

The Committee's principal function is to develop and implement compensation policies and plans that ensure the attraction and retention of key management personnel, the motivation of management to achieve the Company's corporate goals and strategies, and the alignment of the interests of management with the long-term interests of the Parent Company's shareholders. In applying the remuneration policy, and in constructing the remuneration arrangements for Executive Directors and senior employees, the Board, advised by the Committee, aims to provide remuneration packages that are competitive and designed to attract, retain and motivate Executive Directors and senior employees of the highest calibre.

The Committee is responsible for and considered, where applicable, during the year:

- preparation of the proposed revised remuneration policy which will be put to a binding shareholder vote at the AGM to be held on 17 June 2026;
- annually reviewing and approving corporate goals and objectives relevant to the compensation of the CEO;
- evaluating the performance of the CEO in light of such corporate goals and objectives and recommending or determining the compensation of the CEO;
- reviewing and recommending or determining the compensation of the Company's other executive officers;
- reviewing and establishing the Company's overall management compensation, philosophy and policy;
- overseeing and administering the Company's compensation and similar plans;
- retaining, approving the compensation, and overseeing the work of any compensation advisors;
- reviewing and approving the Company's policies and procedures for the grant of equity-based awards;
- preparing the compensation committee report required by the SEC rules to be included in our annual proxy statement, and the directors' remuneration policy and report as required under English law;
- reviewing and discussing with management the compensation discussion and analysis to be included in our annual proxy statement or Annual Report on Form 10-K, if required; and
- reviewing and making recommendations to the Board with respect to director compensation.

The Committee is formally constituted and operates pursuant to a written charter, which is available on the Company's website at <https://investors.bicycletherapeutics.com/corporate-governance>.

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

Single total figure of directors' remuneration — year ended 31 December 2025 (audited)

The total remuneration of the individual directors who served during the financial year, from 1 January 2025 to 31 December 2025, together with a comparison with the equivalent figure for the 2024 financial year is shown below. Total remuneration is the sum of emoluments plus Company pension contributions.

		Base salary ⁽¹⁾ /fees \$'000	Benefits \$'000	Bonus ⁽³⁾ \$'000	Equity- based awards ⁽⁴⁾ \$'000	Pension ⁽⁵⁾ \$'000	Other ⁽⁶⁾ \$'000	Total remuneration \$'000	Total fixed remuneration \$'000	Total variable remuneration \$'000
Executive Directors										
Kevin Lee	2025	862	3 ⁽²⁾	544	1,725	92	154	3,380	2,836	544
	2024	760	3	653	1,392	82	—	2,890	2,237	653
Non-Executive Directors⁽⁷⁾										
Felix Baker	2025	89	—	—	62	—	—	151	151	—
	2024	44	—	—	262	—	—	306	306	—
Janice Bourque	2025	95	2 ⁽⁹⁾	—	88	—	—	185	185	—
	2024	81	2	—	108	—	—	191	191	—
Roger Dansey	2025	41 ⁽⁸⁾	—	—	90	—	—	131	131	—
	2024	—	—	—	—	—	—	—	—	—
Jose-Carlos Gutierrez- Ramos	2025	161 ⁽¹⁰⁾	2 ⁽⁹⁾	—	88	—	—	251	251	—
	2024	79	2	—	108	—	—	189	189	—
Hervé Hoppenot	2025	24	—	—	90	—	—	114	114	—
	2024	—	—	—	—	—	—	—	—	—
Richard Kender	2025	56	2 ⁽⁹⁾	—	88	—	—	146	146	—
	2024	112	2	—	108	—	—	222	222	—
Pierre Legault	2025	130 ⁽¹¹⁾	2 ⁽⁹⁾	—	175	—	—	307	307	—
	2024	383	2	—	217	—	—	602	602	—
Alessandro Riva	2025	54	—	—	115	—	—	169	169	—
	2024	—	—	—	—	—	—	—	—	—
Stephen Sands	2025	92	2 ⁽⁹⁾	—	76	—	—	170	170	—
	2024	81	—	—	270	—	—	351	351	—
Charles Swanton	2025	66 ⁽¹²⁾	—	—	93	—	—	159	159	—
	2024	—	—	—	—	—	—	—	—	—
Sir Gregory Winter	2025	65	—	—	88	—	—	153	153	—
	2024	65	2	—	108	—	—	175	175	—
Total	2025	1,735	13	544	2,778	92	154	5,316	4,772	544
	2024	1,605	13	653	2,573	82	—	4,926	4,273	653

(1) The Executive Director's salary is both set, and paid, in GBP, and the amount reflected for the year ended 31 December 2025 is based on a GBP : USD exchange rate of 1 : 1.3186 for the year ended 31 December 2025.

(2) The Executive Director's benefits included private health insurance, long term disability, critical illness and death in service benefits.

(3) The annual bonus for 2025 was paid in cash in February 2026. The annual bonus for 2024 was paid in cash in February 2025.

(4) There were no performance obligations linked to the equity-based awards. The value of equity-based awards in the form of options in the table is based on the market value of underlying shares at the date of grant, less the applicable exercise price. For the CEO and Non-Executive Directors this was nil because the exercise price is equal to the market value of the underlying shares at the date of grant. Refer to "Equity Incentive Plan" below. The value of equity based awards in the form of RSUs is based on the market value of the underlying shares on the date of grant. Share price appreciation did not impact the value of awards. No discretion was exercised, and the determination of the levels of awards were not impacted, as a result of share price appreciation.

(5) Relates to pension and cash in lieu of pension.

(6) Relates to tax-related reimbursements for the Executive Director in 2025.

Bicycle Therapeutics plc
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Directors' Remuneration Report (continued)

- (7) Felix Baker was appointed on 18 April 2024. Stephen Sands was appointed on 20 February 2024. Alessandro Riva was appointed on 25 March 2025. Richard Kender and Pierre Legault did not stand for re-election at our 2025 Annual General Meeting and their terms on the Board expired effective immediately following our 2025 Annual General Meeting on 17 June 2025. Charles Swanton was appointed on 12 August 2025. Roger Dansey and Hervé Hoppenot were appointed on 8 September 2025.
- (8) Roger Dansey's fees include \$19k payable under a consultancy agreement with BicycleTx Limited, effective 1 November 2025. These fees were unpaid as of 31 December 2025.
- (9) Relates to fees paid by the Company for tax return preparation services for certain directors during the years ended 31 December 2025.
- (10) Jose-Carlos Gutierrez-Ramos' fees include \$71k payable under a consultancy agreement with BicycleTx Limited, effective 19 May 2025, for services as the Chair of the Company's Research & Innovation Advisory Board. These fees were unpaid as of 31 December 2025.
- (11) Pierre Legault's fees include those payable under a consulting agreement between Stone Atlanta Estates LLC and Bicycle Therapeutics, Inc. dated 15 March 2019, pursuant to which such entity was paid \$101k for Mr. Legault's advisory services to the Company during the year ended 31 December 2025 through the end of his term on 17 June 2025 (\$343k for the year ended 31 December 2024).
- (12) Charles Swanton's fees include those payable under the consultancy services agreement between UCL Consultants Limited and BicycleTx Limited, effective 30 July 2024, pursuant to which such entity is owed \$41k for the year ended 31 December 2025 for the period during which Dr. Swanton served as a member of the Board of Directors. These fees were unpaid as of 31 December 2025.

2025 Annual bonus (audited)

In 2025, the CEO's annual bonus was based on corporate and personal objectives. The overall bonus outcome of 97% of target resulted in a total bonus pay out of \$544k or 63% of the CEO's base salary for the year ended 31 December 2025. The Committee is satisfied that the bonus pay-out for 2025 is appropriate, taking into account the wider stakeholder experience, particularly that of shareholders and employees, based on achievements versus goals that included the following for 2025: clinical development goals to progress our product candidates zelenectide pevedotin, nuzefatide pevedotin (formerly BT5528), and BT7480; research and development goals to advance our discovery programs, including our Bicycle[®] radioligands pipeline and radioisotope supply; and organizational goals including extending our cash runway. Full details of goals and performance against them will be disclosed when they are no longer considered commercially sensitive.

Equity Incentive Plan

Awards granted from 1 January 2025 to 31 December 2025 (audited)

The CEO and Chairman received the following equity-based awards under the EIP during the year from 1 January 2025 to 31 December 2025, as set forth in the table below:

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Directors' Remuneration Report (continued)

	Form of Award	Date of Grant	Number of Shares	Exercise Price \$	Face Value at Date of Grant ⁽¹⁾ \$'000	Expiry Date	Vest Terms ⁽⁵⁾
Executive Director Kevin Lee ⁽²⁾	Fair market value options	2 January 2025	308,000	14.00	—	2 January 2035	25% vest after one year, remaining shares vest in 36 equal monthly instalments
	RSUs	2 January 2025	123,200	—	1,725	—	25% vest after one year, remaining shares vest in 12 equal quarterly instalments
Chairman⁽³⁾ Felix Baker ⁽⁴⁾	Fair market value options	2 January 2025	8,801	14.00	—	2 January 2035	Vest in four equal quarterly instalments
	RSUs	2 January 2025	4,400	—	62	—	Vest in four equal quarterly instalments
Pierre Legault ⁽⁴⁾	Fair market value options	2 January 2025	25,000	14.00	—	2 January 2035	Vest in four equal quarterly instalments
	RSUs	2 January 2025	12,500	—	175	—	Vest in four equal quarterly instalments

- (1) The value of equity-based awards in the form of options in the table is based on the market value of the underlying shares at the date of grant, less the applicable exercise price. For awards in the form of options, this was nil because the exercise price is equal to the market value of the underlying shares at the date of grant. Awards in the form of RSUs are valued using the market value of the underlying shares at the date of grant. Upon vesting of RSUs, the holders are required to pay a nominal fee of £0.01 per share.
- (2) The Committee structured the mix of equity vehicles and relative weight assigned to each type of award granted to the CEO to motivate share price growth over the long-term through share options, which deliver value only if the share price increases, and to ensure some amount of value delivery through RSUs, which are complementary because they have upside potential but deliver some value even during periods of market or share price underperformance. In determining the number of options and RSUs to be granted to the CEO, the Committee took into account the ranges of awards value and grant sizes of companies in our peer group.
- (3) Richard Kender and Pierre Legault did not stand for re-election at our 2025 Annual General Meeting and their terms on the Board expired effective immediately following our 2025 Annual General Meeting on 17 June 2025. Pierre Legault served as Chairman of the Board of Directors until the expiration of his term on 17 June 2025. Felix Baker has served as Chairman of the Board of Directors since 17 June 2025.
- (4) Pursuant to and in accordance with the terms of our Amended and Restated Non-Employee Director Compensation Policy, Pierre Legault and Felix Baker were granted options and RSUs over ordinary shares as annual grants. Once vested the equity-based awards in the form of RSUs are no longer subject to forfeiture but the settlement is deferred until the earlier of (i) the date of the participants "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)); (ii) the date of the participant's "disability" (as defined under Treasury Regulation Section 1.409A-3(i)(4)); (iii) the date of the participant's death; or (iv) the date of a Change in Control (as defined in the EIP) that would also constitute a "change in control event" (as defined under Treasury Regulation Section 1.409A-3(i)(5)).
- (5) None of the awards granted are subject to performance-based conditions.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

Pursuant to and in accordance with the terms of our Amended and Restated Non-Employee Director Compensation Policy, Non-Executive Directors also received the following equity-based awards during the year from 1 January 2025 to 31 December 2025, as set forth in the table below:

Non-Executive Director ⁽²⁾	Form of Award	Date of Grant	Number of Shares Covered ⁽³⁾	Exercise Price \$	Face Value at Date of Grant ⁽¹⁾⁽²⁾ \$'000	Expiry Date	Vest Terms ⁽⁴⁾
Janice Bourque	Fair market value options	2 January 2025	12,500	14.00	—	2 January 2035	Vest in four equal quarterly instalments
Roger Dansey	RSUs	2 January 2025	6,250	—	88	—	Vest in four equal quarterly instalments
	Fair market value options	8 September 2025	25,000	7.16	—	8 September 2035	Vest in three equal annual instalments
Jose-Carlos Gutierrez-Ramos	RSUs	8 September 2025	12,500	—	90	—	Vest in three equal annual instalments
	Fair market value options	2 January 2025	12,500	14.00	—	2 January 2035	Vest in four equal quarterly instalments
Hervé Hoppenot	RSUs	2 January 2025	6,250	—	88	—	Vest in four equal quarterly instalments
	Fair market value options	8 September 2025	25,000	7.16	—	8 September 2035	Vest in three equal annual instalments
Richard Kender	RSUs	8 September 2025	12,500	—	90	—	Vest in three equal annual instalments
	Fair market value options	2 January 2025	12,500	14.00	—	2 January 2035	Vest in four equal quarterly instalments
Alessandro Riva	RSUs	2 January 2025	6,250	—	88	—	Vest in four equal quarterly instalments
	Fair market value options	25 March 2025	25,000	9.20	—	25 March 2035	Vest in three equal annual instalments
Stephen Sands	RSUs	25 March 2025	12,500	—	115	—	Vest in three equal annual instalments
	Fair market value options	2 January 2025	10,787	14.00	—	2 January 2035	Vest in four equal quarterly instalments
Charles Swanton	RSUs	2 January 2025	5,393	—	76	—	Vest in four equal quarterly instalments
	Fair market value options	12 August 2025	25,000	7.46	—	12 August 2035	Vest in three equal annual instalments
Sir Gregory Winter	RSUs	12 August 2025	12,500	—	93	—	Vest in three equal annual instalments
	Fair market value options	2 January 2025	12,500	14.00	—	2 January 2035	Vest in four equal quarterly instalments
	RSUs	2 January 2025	6,250	—	88	—	Vest in four equal quarterly instalments

(1) The value of equity-based awards in the form of options in the table is based on the market value of the underlying shares at the date of grant, less the applicable exercise price. For awards in the form of options, this was nil because the exercise price is equal to the market value of the underlying shares at the date of grant. Awards in the form of RSUs are valued using the market value of the underlying shares at the date of grant. Upon vesting of RSUs, the holders are required to pay a nominal fee of £0.01 per share. For equity-based awards in the form of RSUs, settlement is deferred until the earlier of (i) the date of the participant's "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)); (ii) the date of the participant's "disability" (as defined under Treasury Regulation Section 1.409A-3(i)(4)); (iii) the date of the participant's death; or (iv) the date of a Change in Control (as defined in the EIP) that also would constitute a "change in control event" (as defined under Treasury Regulation Section 1.409A-3(i)(5)).

(2) On 25 March 2025, the Board appointed Alessandro Riva to the Board. On 12 August 2025, the Board appointed Charles Swanton to the Board. On 8 September 2025, the Board appointed Roger Dansey and Hervé Hoppenot to the Board. Pursuant to our Amended and Restated Non-Employee Director Compensation Policy,

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

Dr. Riva, Dr. Swanton, Dr. Dansey and Mr. Hoppenot were granted options over 25,000 ordinary shares and RSUs over 12,500 ordinary shares in connection with their appointments.

- (3) Pursuant to and in accordance with the terms of our Amended and Restated Non-Employee Director Compensation Policy, save for Dr. Riva, Dr. Swanton, Dr. Dansey and Mr. Hoppenot, the Non-Executive Directors were granted options over 12,500 ordinary shares and RSUs over 6,250 ordinary shares as an annual grant. The annual grant for Mr. Sands was pro-rated based on his date of appointment to the Board in the prior year.
- (4) None of the awards granted are subject to performance-based conditions.

No subsequent changes were made to the exercise prices or vesting dates of options or vesting dates of awards in the form of RSUs granted to the CEO, Chairman or other Non-Executive Directors.

Statement of directors' shareholding and share interests (audited)

Shareholdings for each director, who has held office during the period 1 January 2025 and 31 December 2025, are set out in the table below as at 31 December 2025 (together with interests held by his or her connected persons):

	<u>Number of Shares</u> Beneficially owned shares as at 31 December 2025	<u>Number of Equity Awards</u>			<u>Total</u>
		<u>Exercised/settled</u>	<u>Vested but unexercised</u>	<u>Unvested without performance conditions</u>	
Executive Director					
Kevin Lee	287,703	—	1,231,932	609,567	2,129,202
Non-Executive Directors					
Felix Baker	30,323,301 ⁽²⁾	—	25,201	24,000	30,372,502
Janice Bourque	10,750	—	125,250	—	136,000
Roger Dansey	—	—	—	37,500	37,500
Jose-Carlos Gutierrez-Ramos	10,750	—	90,250	—	101,000
Hervé Hoppenot	—	—	—	37,500	37,500
Richard Kender ⁽¹⁾	—	—	125,250	—	125,250
Pierre Legault ⁽¹⁾	21,500	—	326,639	—	348,139
Alessandro Riva	—	—	—	37,500	37,500
Stephen Sands	—	—	28,180	24,000	52,180
Charles Swanton	580	—	3,625	40,282	44,487
Sir Gregory Winter	174,677	—	93,250	—	267,927

- (1) Richard Kender and Pierre Legault did not stand for re-election at our 2025 Annual General Meeting and their terms on the Board expired effective immediately following our 2025 Annual General Meeting on 17 June 2025.
- (2) Includes 10,885,357 ADSs and 19,437,944 non-voting ordinary shares directly held by Felix Baker's connected persons, 667, L.P. and Baker Brothers Life Sciences, L.P. (together with 667, L.P., the "Funds"). Felix Baker is a managing member of Baker Bros. Advisors (GP) LLC, the sole general partner of Baker Bros. Advisors LP. Pursuant to management agreements, as amended, the Funds' respective general partners relinquished to Baker Bros. Advisors LP all discretion and authority with respect to the investment and voting power of the securities held by the Funds and thus Baker Bros. Advisors LP has complete and unlimited discretion and authority with respect to the Funds' investments and voting power over investments.

There were no unvested shares or unvested equity awards with performance conditions. Details of changes in shareholdings for each director up to the date of this report are shown on page 55.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

Payments to former directors and for loss of office (audited)

No payments were made to former directors of the Company or in relation to loss of office were made.

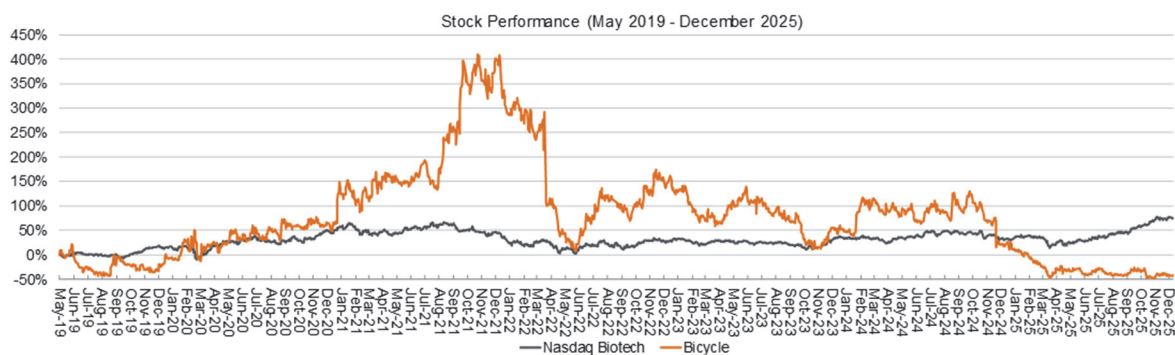
Share ownership guidelines

In order to further align the interests of our leadership with those of our shareholders and advance our commitment to sound corporate governance, our Board implemented share ownership guidelines for our directors (and executive officers) in December 2024, as amended from time to time. Under our guidelines, our directors are expected to build up ownership of ordinary shares of the Company based on a multiple of base salary (for our CEO) or annual cash retainer (for Non-Executive Directors). Our CEO is expected to own shares valued at least three times his base salary, and Non-Executive Directors are expected to own shares valued at least three times their annual cash retainer. Share options and any unearned performance-based restricted share units are not included as shares held for the purposes of our share ownership guidelines. The guidelines took effect in 2025 and establish a five-year deadline for covered individuals to meet the ownership requirements by the later of (a) 4 January 2030 and (b) the date that is five years after the date that the individual became a covered individual under the guidelines.

Performance graph and table

The chart below shows the Parent Company's Total Shareholder Return ("TSR") performance compared with that of the NASDAQ Biotechnology Index from the date of the Parent Company's listing on NASDAQ to 31 December 2025. The NASDAQ Biotechnology Index has been chosen as an appropriate comparator as it is the index of which the Parent Company is a constituent. TSR is defined as the return on investment obtained from holding a company's shares over a year. It includes dividends paid, the change in the capital value of the shares and any other payments made to or by shareholders within the year.

Stock Price Performance Since IPO



Aligning pay with performance

The total remuneration figure for the CEO is shown in the table below, along with the value of bonuses paid, and SOP/EIP vesting, as a percentage of the maximum opportunity. As explained in the report in respect of the 2019 financial year, as 2019 was the first year reported since listing, it is not possible to provide meaningful comparative data for periods prior to that date.

Chief Executive Officer	2019	2020	2021	2022	2023	2024	2025
Total remuneration (\$000)	1,004	1,156	1,404	4,359	3,050	2,890	3,380
Actual bonus (% of the maximum)	63%	63%	72%	63%	54%	59%	43%
SOP/EIP vesting (% of the maximum)	100%	100%	100%	100%	100%	100%	100%

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

Percentage change in remuneration of the directors compared to all Company employees

The table below illustrates the increase in salary, benefits and annual bonus for each director who served from 1 January 2025 to 31 December 2025 and that of the Company's employees as a whole as between the 2019 and 2025 financial years. BicycleTx Limited has been used as the comparator company instead of the Parent Company because BicycleTx Limited employs all U.K. employees. The outcome for employees of the Parent Company is also included to satisfy the statutory requirement but is shown as not applicable given the Parent Company does not itself have any employees. As explained in the report in respect of the 2019 financial year, 2019 was the first year reported since listing on NASDAQ. There was no change in remuneration of the CEO in that year and it was therefore not possible to provide meaningful comparative data for prior years.

	Percentage change 2019-2020			Percentage change 2020-2021			Percentage change 2021-2022			Percentage change 2022-2023			Percentage change 2023-2024			Percentage change 2024-2025		
	Base salary / fees	Benefits	Bonus	Base salary / fees	Benefits	Bonus	Base salary / fees	Benefits	Bonus	Base salary / fees	Benefits	Bonus	Base salary / fees	Benefits	Bonus	Base salary / fees	Benefits	Bonus
Executive Directors																		
Kevin Lee	15 %	100 %	16 %	14 %	100 %	31 %	(1)%	(50)%	(13)%	6 %	100 %	(2)%	7 %	50 %	17 %	14 %	11 %	(17)%
Non-Executive Directors																		
Felix Baker	—	—	—	—	—	—	—	—	—	—	—	—	100 %	—	—	102 %	—	—
Janice Bourque	117 %	—	—	—	—	—	11 %	—	—	9 %	—	—	6 %	100 %	—	18 %	—	—
Roger Dansey	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	100 %	—	—
Jose-Carlos Gutierrez-Ramos	—	—	—	—	—	—	76 %	—	—	5 %	—	—	26 %	100 %	—	103 %	—	—
Hervé Hoppenot	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	100 %	—	—
Richard Kender	120 %	—	—	—	—	—	5 %	—	—	6 %	—	—	4 %	100 %	—	(50)%	—	—
Pierre Legault	40 %	—	—	6 %	—	—	(1)%	—	—	5 %	—	—	76 %	100 %	—	(66)%	—	—
Alessandro Riva	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	100 %	—	—
Stephen Sands	—	—	—	—	—	—	—	—	—	—	—	—	100 %	—	—	14 %	100 %	—
Charles Swanton	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	100 %	—	—
Sir Gregory Winter	67 %	—	—	—	—	—	38 %	—	—	5 %	—	—	13 %	100 %	—	—	(100)%	—
Average pay of employees of the Parent Company	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Average pay of employees of the Company as a whole	27 %	7 %	25 %	10 %	80 %	35 %	(29)%	(30)%	(21)%	9 %	19 %	—	6 %	24 %	7 %	9 %	42 %	(11)%

Non-Executive Directors did not receive fees for the period prior to the IPO on NASDAQ in May 2019. Roger Dansey and Hervé Hoppenot were appointed on 8 September 2025. Charles Swanton was appointed on 12 August 2025. Richard Kender and Pierre Legault did not stand for re-election at our 2025 Annual General Meeting and their terms on the Board expired effective immediately following our 2025 Annual General Meeting on 17 June 2025. Alessandro Riva was appointed on 25 March 2025. Felix Baker was appointed on 18 April 2024. Stephen Sands was appointed on 20 February 2024. Jose-Carlos Gutierrez-Ramos was appointed on 17 March 2021. Janice Bourque was appointed during the course of 2019 with 2020 being her first full year in office.

Relative importance of spend on pay

The table below illustrates the Company's expenditure on employee pay in comparison to total expenditure on research and development. These costs are included in the disclosures in notes 6 and 9 in the notes to the financial statements.

	2024	2025	% change
Total expenditure on research and development (\$'000) ⁽¹⁾	171,208	229,171	34%
Total employee pay expenditure (\$'000) ⁽²⁾⁽³⁾	109,481	119,722	9%

- (1) The Committee considers the Company's research and development expenditure relative to salary expenditure for all employees, to be the most appropriate metric for assessing overall spend on pay due to the nature and stage of the Company's business. Total expenditure on research and development includes certain employee pay expenditure including wages and salaries, social security costs and other pension costs.
- (2) Total employee pay expenditure includes wages and salaries, social security costs, pension contributions, bonus, equity compensation plans and termination benefits.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

(3) No distributions to shareholders were made.

Statement of implementation of remuneration policy in 2026

Annual base salary

The annual base salary of the CEO is shown in the table below:

	Base salary 2025 \$'000	Base salary 2026 \$'000
Executive Directors		
Kevin Lee	821	910

Kevin Lee's salary has been both set, and paid, in GBP. Accordingly, Kevin Lee's annual base salary was GBP 654k effective on and from 1 January 2025 and will be GBP 677k on and from 1 January 2026. The Committee determined the change in base salary for Kevin Lee based on input from Aon, including a benchmarking analysis against comparable companies. For consistency and ease of comparison, we will continue to provide disclosures in USD (converted by reference to the GBP : USD exchange rate on 31 December 2025 of 1 : 1.34384 (31 December 2024: 1.25511)).

Benefits and pension

In 2026, Executive Directors are eligible for the same benefits (such as health insurance) as provided to all senior employees in the jurisdiction in which they reside. In the U.K., where the CEO is based, this means that employer pension contributions are 12% of base salary for Executive Directors and employees with job title of 'director' and above and 10% for all other employees (or, in each case, cash equivalent at the election of the relevant employee).

Bonus

The CEO is eligible for a target bonus of 65% base salary in 2026, with final payout of up to 146% of base salary in the event of 'stretch' performance being achieved. The bonus will be paid in cash or in an equity award, as may be agreed between the Executive Director and the Committee, and subject to the achievement of a number of corporate and personal objectives determined by the Committee.

Specific corporate and personal objectives are commercially sensitive and therefore are not disclosed in advance. However, full details of the targets and performance against them will be disclosed when they are no longer considered commercially sensitive.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

Equity Incentive Plan

The Company granted the following equity incentive awards to directors and the Chairman in 2026 up to the date of this directors' remuneration report under the Equity Incentive Plan. These grants are a mix of RSUs and market value options.

Director	Form of Award	Date of Grant	Number of Shares Covered	Exercise Price \$ ⁽¹⁾	Face Value at Date of Grant \$'000 ⁽²⁾	Expiry Date	Vest Terms ⁽³⁾
							25% vest after one year, remaining shares vest in 36 equal monthly instalments
Kevin Lee	Fair market value options	2 January 2026	330,000	7.08	—	2 January 2036	Vest in four equal quarterly instalments
Felix Baker	Fair market value options	2 January 2026	38,000	7.08	—	2 January 2036	Vest in four equal quarterly instalments
Janice Bourque	Fair market value options	2 January 2026	19,000	7.08	—	2 January 2036	Vest in four equal quarterly instalments
Roger Dansey	Fair market value options	2 January 2026	6,065	7.08	—	2 January 2036	Vest in four equal quarterly instalments
Jose-Carlos Gutierrez-Ramos	Fair market value options	2 January 2026	19,000	7.08	—	2 January 2036	Vest in four equal quarterly instalments
Hervé Hoppenot	Fair market value options	2 January 2026	6,065	7.08	—	2 January 2036	Vest in four equal quarterly instalments
Alessandro Riva	Fair market value options	2 January 2026	14,761	7.08	—	2 January 2036	Vest in four equal quarterly instalments
Stephen Sands	Fair market value options	2 January 2026	19,000	7.08	—	2 January 2036	Vest in four equal quarterly instalments
Charles Swanton	Fair market value options	2 January 2026	7,453	7.08	—	2 January 2036	Vest in four equal quarterly instalments
Sir Gregory Winter	Fair market value options	2 January 2026	19,000	7.08	—	2 January 2036	25% vest after one year, remaining shares vest in 12 equal quarterly instalments
Kevin Lee	Restricted share units	2 January 2026	165,000	—	1,168	—	Vest in four equal quarterly instalments
Felix Baker	Restricted share units	2 January 2026	19,000	—	135	—	Vest in four equal quarterly instalments
Janice Bourque	Restricted share units	2 January 2026	9,500	—	67	—	Vest in four equal quarterly instalments
Roger Dansey	Restricted share units	2 January 2026	3,032	—	21	—	Vest in four equal quarterly instalments
Jose-Carlos Gutierrez-Ramos	Restricted share units	2 January 2026	9,500	—	67	—	Vest in four equal quarterly instalments
Hervé Hoppenot	Restricted share units	2 January 2026	3,032	—	21	—	Vest in four equal quarterly instalments
Alessandro Riva	Restricted share units	2 January 2026	7,380	—	52	—	Vest in four equal quarterly instalments
Stephen Sands	Restricted share units	2 January 2026	9,500	—	67	—	Vest in four equal quarterly instalments
Charles Swanton	Restricted share units	2 January 2026	3,726	—	26	—	Vest in four equal quarterly instalments
Sir Gregory Winter	Restricted share units	2 January 2026	9,500	—	67	—	Vest in four equal quarterly instalments

(1) For options, exercise price is equal to the market value of the underlying shares at the date of grant.

(2) The value of equity-based awards in the table is based on the market value of underlying shares at the date of grant, less the applicable exercise price (if any). This was nil for fair market value options because the exercise price is equal to the market value of the underlying shares at the date of grant. Awards in the form of RSUs are valued using the market value of the underlying shares at the date of grant. Upon settlement of RSUs, the holders are required to pay a nominal fee of £0.01 per share.

(3) The Committee may, in its sole discretion, provide for deferred settlement of RSUs awarded to Non-Executive Directors.

No other grants are currently proposed for 2026.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Remuneration Report (continued)

Non-Executive Directors' fees

Non-Executive Directors will receive the following annual fees for 2026, which will be paid in cash, as follows. These have been increased from the 2025 fees following review and benchmarking against our peers:

	Fees (effective from 1 January 2026) 000s
Base fee:	
Board Chair	\$80
Board member	\$45
Additional fees:	
Audit Committee Chair	\$20
Audit Committee member	\$10
Compensation Committee Chair	\$15
Compensation Committee member	\$7.5
Nominating and Corporate Governance Committee Chair	\$10
Nominating and Corporate Governance Committee member	\$5
Scientific Committee Chair	\$15
Scientific Committee member	\$7.5
Clinical Strategy Committee Chair	\$15
Clinical Strategy Committee member	\$7.5

Non-Executive Director fees may be paid in GBP, USD, or a combination depending on the personal situation of each Non-Executive Director.

Non-Executive Directors will not be eligible to participate in any performance-based incentive plans.

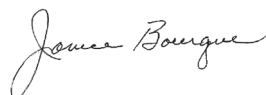
Each Non-Executive Director will also be entitled to reimbursement of reasonable expenses and reimbursement of fees for tax advice associated with completion of international tax returns and, if relevant, any gross-up for tax due to their role as a Bicycle Therapeutics plc Non-Executive Director.

Shareholder voting on remuneration matters at AGM

The table below sets out the votes cast at our AGM in June 2025 in respect of the previous Directors' Remuneration Report and the votes cast at our AGM in June 2023 in respect of the Directors' Remuneration Policy.

	Votes for		Votes against		Votes withheld
	%	Number	%	Number	Number
Directors' Remuneration Report	96.47	47,393,255	3.53	1,733,604	8,200
Directors' Remuneration Policy	92.97	26,075,659	7.03	1,971,866	9,396

On behalf of the Board



Janice Bourque
Chair of the Compensation Committee
 17 April 2026

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Report

The directors present their report and the audited financial statements of Bicycle Therapeutics plc (the "Parent Company") for the year ended 31 December 2025 and, the audited consolidated financial statements of Bicycle Therapeutics plc and its subsidiaries, BicycleTx Limited, BicycleRD Limited and Bicycle Therapeutics Inc. (the "Company") for the year ended 31 December 2025.

Bicycle Therapeutics plc is a public company limited by shares and incorporated and domiciled in England and Wales. BicycleTx Limited, and BicycleRD Limited are registered in England and Wales. Bicycle Therapeutics Inc. is registered in the U.S.

Where stated certain information is not shown in the directors report because it is shown in the Strategic Report instead under section 414C(11) of the Companies Act 2006 (the "Companies Act"). This includes the Section 172 Statement that summarises how the Directors have had regard to the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the Company during the financial year.

Results and dividends

The results of the Company for the year are set out on page 71. During the year ended 31 December 2025, no dividend was declared or paid (year ended 31 December 2024: \$Nil). The directors do not recommend the payment of any further dividend.

Directors

The directors of the Parent Company who held office during the year and up to the date of signing the financial statements, unless otherwise stated, were as follows:

Felix Baker
Janice Bourque
Roger Dansey (appointed 8 September 2025)
Jose-Carlos Gutierrez-Ramos
Hervé Hoppenot (appointed 8 September 2025)
Richard Kender (resigned 17 June 2025)
Kevin Lee
Pierre Legault (resigned 17 June 2025)
Alessandro Riva (appointed 25 March 2025)
Stephen Sands
Charles Swanton (appointed 12 August 2025)
Gregory Winter

Capital structure

Details of the issued share capital, together with details of shares issued during the year, are set out in note 18 to the financial statements. There are two classes of ordinary shares, neither of which carry any right to fixed income. Each ordinary share carries the right to one vote at a general meeting of the Parent Company while non-voting ordinary shares carry no voting rights.

Other than the transfer conditions on non-voting ordinary shares as outlined in note 18 to the financial statements, there are no specific restrictions on the size of a holding or on the transfer of shares, which are both governed by the general provisions of the Parent Company's articles of association and prevailing legislation. The directors are not aware of any agreements between holders of the Parent Company's shares that may result in restrictions on the transfer of securities or on voting rights.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Report (continued)

No person has any special rights of control over the Parent Company's share capital and all issued shares are fully paid. Subject to the Companies Act and any relevant authority of the Parent Company in general meeting, the Parent Company has authority to issue new shares.

Political donations

No political donations were made, and no political expenditure was incurred, by the Company during the current and prior year. No contributions were made to any non-U.K. political party by the Company during the current and prior year.

Research and development activities

The directors are satisfied that research and development activities of the Company are progressing satisfactorily. Total research and development expenditure during the year was \$229.2 million (year ended 31 December 2024: \$171.2 million).

Going concern

The Company is involved in research and development activities and until it is able to convert this activity into a significant product revenue stream, it will be reliant upon obtaining additional funding in connection with continuing operations. More detailed analysis of the risks faced by the Company is given in the Strategic Report.

At 31 December 2025, the Company had cash and cash equivalents of \$628.1 million and the directors estimate the Company's existing cash and cash equivalents at the date of approval of these financial statements is sufficient to continue to fund the Company's operating expenses for the foreseeable future at least 12 months from the date of that approval and that is therefore appropriate to prepare these financial statements on a going concern basis.

Employee involvement

The Company is committed to the continued development of employee involvement by an effective communications and consultative framework. Please refer to the "Employee, social, community and human rights matters" section included in our Strategic Report, beginning on page 9 of this document.

Greenhouse gas emissions, energy consumption and energy efficiency action

Please refer to the "Environmental matters" section included in our Strategic Report, beginning on page 8 of this document.

Financial risk management

Please refer to the "Financial risk management" section included in our Strategic Report, beginning on page 8 of this document.

Qualifying third party indemnity provisions

The Parent Company has made qualifying third-party indemnity provisions for the benefit of its directors, certain executives and certain investors that were in force during the year and at the date of this report.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing its reports, of which the auditors are unaware. Having made enquiries of fellow directors and the company's auditors, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Report (continued)

Branches outside of the U.K.

The Parent Company has no overseas branches.

Future developments

Information on likely future developments in the business of the Company has been included in the Strategic Report on page 6.

Post balance sheet events

The directors are not aware of any events that have occurred subsequent to the end of the year that may materially impact the results of the financial statements, other than as disclosed in note 26 to the financial statements.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Parent Company and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Parent Company and the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the Parent Company and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Parent Company's and the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Parent Company's and the Company's auditors are aware of that information.

Bicycle Therapeutics plc
year ended 31 December 2025

Directors' Report (continued)

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the forthcoming Annual General Meeting to be held on 17 June 2026.

The financial statements on pages 71 to 109 were approved by the board of directors on 3 April 2026.

This report was approved by the board of directors on 3 April 2026 and signed on behalf of the board of directors by:

A handwritten signature in black ink, appearing to be 'Kevin Lee', written in a cursive style.

Kevin Lee
Director
17 April 2026

Independent auditors' report to the members of Bicycle Therapeutics plc

Report on the audit of the financial statements

Opinion

In our opinion, Bicycle Therapeutics plc's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2025 and of the group's and company's loss and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Consolidated and Parent Company balance sheets as at 31 December 2025;
- the Consolidated statement of comprehensive income for the year then ended;
- the Consolidated statement of changes in equity for the year then ended;
- the Parent Company statement of changes in equity for the year then ended;
- the Consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview

Audit scope

- The scope of our audit covered the financially significant components, comprising Bicycle Therapeutics plc (the parent company), Bicycle Tx Limited and Bicycle Therapeutics Inc. We conducted a full scope audit of each of these components. These audit procedures covered 100% of the Group's revenue and 99.97% of the Group's total assets and liabilities.

Key audit matters

- Accounting for termination of Novartis Collaboration Agreement (group)
- External research and development expenses (group)
- Recoverability of investment in subsidiaries and amounts owed by group undertakings (parent)

Materiality

- Overall group materiality: \$9,498,000 (2024: \$11,300,000) based on 5% of loss before tax.
- Overall company materiality: \$5,591,000 (2024: \$14,700,000) based on 1% of total assets.
- Performance materiality: \$7,123,000 (2024: \$8,475,000) (group) and \$4,193,000 (2024: \$11,025,000) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Accounting for termination of Novartis Collaboration Agreement and External research and development expenses are new key audit matters this year. Revenue recognition - Estimated cost to complete the performance obligations in collaboration and license agreements (group), which was a key audit matter

Bicycle Therapeutics plc
Registered in England No: 11036004

last year, is no longer included because of this matter, was less material in value and relatively less complex. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<p>Accounting for termination of Novartis Collaboration Agreement (group)</p> <p>Refer to Note 3, Note 4 and Note 5 of the financial statements for management's disclosure of accounting policies, critical accounting estimates and further explanation in the notes to the financial statements. In November 2025, Novartis Pharma AG ("Novartis") provided the Company with a notice of termination of the Novartis Collaboration Agreement in its entirety, effective in February 2026. Management exercised significant judgment in concluding that the notice of termination should be accounted for as a contract modification in the fourth quarter of 2025 as it reduces the scope of the arrangement. Management concluded that the notice of termination substantively removes all remaining performance obligations, including remaining material rights, as of the date of the notice as Novartis will not benefit from any remaining activities performed during the notice period and the likelihood of exercising any remaining options is remote. As a result, the Company recognized the remaining unrecognized transaction price of \$41.9 million as revenue on the date of the notice of termination. The principal considerations for our determination that performing procedures relating to accounting for the termination of Novartis Collaboration Agreement is a critical audit matter are (i) the significant judgment by management in determining the timing of accounting for the termination of collaboration agreement, and (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures related to accounting for the termination of Novartis Collaboration Agreement.</p>	<p>We have performed following procedures to address the key audit matter:</p> <ul style="list-style-type: none"> • reading the Novartis Collaboration Agreement and the notice of termination; • evaluating management's assessment of the accounting for the termination of the Novartis Collaboration Agreement; • evaluating the reasonableness of significant judgment used by management related to the determination that Novartis will not benefit from any remaining activities performed during the notice period and the likelihood of exercising any remaining options is remote by evaluating its consistency with the contractual terms and considering the progress of the research as of the date of termination; and • evaluating the sufficiency of the disclosures in the consolidated financial statements.
<p>External research and development expenses (group)</p> <p>Refer to Note 3, Note 4, Note 6 and Note 16 of the financial statements for management's disclosure of accounting policies, critical accounting estimates and further explanation in the notes to the financial statements. The research and development expenses were \$229 million for the year ended 31 December 2025, a significant portion related to external research and development expenses. Accrued external research and development expenses were \$20.5 million as of December 31, 2025. The Company has entered into various research and development and manufacturing contracts, including contracts with respect to preclinical studies and clinical trials. Research and development costs are expensed as incurred. Significant judgments and estimates are made by management in estimating external research and development expenses incurred and associated accrued balance at the end of the reporting period. For estimating accrued external research and development expenses, management analyzes the progress of the research and development and manufacturing activities, including the level of service performed and associated cost incurred, invoices received and contracted costs. The principal considerations for our determination that performing</p>	<p>We have performed the following procedures to address the key audit matter:</p> <ul style="list-style-type: none"> • reading significant research and development and manufacturing contracts; • testing the external research and development expenses incurred, on a sample basis, by tracing information to the underlying contracts, purchase orders, invoices and information received from the research institutions or vendors, as applicable; • testing management's process for estimating the accrued external research and development expenses; • testing the completeness and accuracy of underlying data used by management; and • evaluating the reasonableness of the significant assumption used by management in estimating of the level of service performed on a sample of contracts. Evaluating management's assumption related to the level of service performed involved obtaining and examining a sample of third party contracts to evaluate the completeness and consistency of the costs and

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<p>procedures relating to external research and development expenses is a critical audit matter are (i) the significant judgment by management in developing the estimate of the accrued external research and development expenses; and (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating management's significant assumption related to the level of service performed.</p>	<p>milestones in the contract with those used in developing the estimate, testing the associated cost incurred based on underlying contracts and other information received from research organizations and re-calculating the level of service performed for a study or research and development activity.</p>
<p>Recoverability of investment in subsidiaries and amounts owed by group undertakings (parent)</p> <p>Refer to Note 4 for disclosure of significant judgements and estimates, Note 14 for investment in subsidiaries and Note 15 for amounts owed by group undertakings. The balances prior to any impairment losses were: Investment in subsidiaries \$179.2 million, and amounts owed by group undertakings \$918 million at the Balance Sheet date. Management determined that there was an indicator of impairment of its investments in subsidiaries and amount owed by group undertakings as the net assets of the Parent Company exceeded the Group's market capitalisation at the Balance Sheet date. Management determined the value in use by considering present value of future cash flows of the clinical program and net assets of the subsidiaries. Management therefore estimated the recoverable amounts, being the higher of the value in use and fair value less costs to sell, of the assets, and recorded impairment losses of \$179.2 million on investment in subsidiaries and \$790 million on the amounts owed by group undertakings.</p>	<p>We have performed following procedures to address the key audit matter:</p> <ul style="list-style-type: none"> • We assessed that there is an impairment indicator as the Group's market capitalisation is lower than the net assets of the parent company as of 31 December 2025; • we have obtained management's impairment assessment and assessed reasonableness of present value of future cash flows of the clinical program; • we evaluated the assumptions used by management for appropriateness and consistency in the context of impairment assessment; • we verified the carrying amount of assets and liabilities considered in calculating net assets of the subsidiaries. • Based on these procedures we concur with management's calculation of impairment expense of \$790 million on the amount owed by group undertakings and full impairment on the investment in subsidiaries.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The Group comprises four entities, Bicycle Therapeutics plc (the parent company), BicycleTx Limited, Bicycle Therapeutics Inc. and BicycleRD Limited (the subsidiary companies) of which all except BicycleRD Limited were scoped in as significant components for our group audit. Full scope audits were performed over the financial information of the three significant components and our work was fully substantive in nature. This approach provided 100% coverage of the Group's revenue and 99.97% of the Group's total assets and liabilities.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the group's and company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the group's and company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - group	Financial statements - company
Overall materiality	\$9,498,000 (2024: \$11,300,000).	\$5,591,000 (2024: \$14,700,000).
How we determined it	5% of loss before tax	1% of total assets
Rationale for benchmark applied	Loss before tax is the generally accepted benchmark, given that, in most circumstances, this is the measure of greatest significance to the financial statement users since the Company's equity securities are publicly traded and it is a profit oriented entity.	Total assets is the most appropriate benchmark as the Parent Company is a holding company.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between \$4.5 million to \$9 million. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to \$7,123,000 (2024: \$8,475,000) for the group financial statements and \$4,193,000 (2024: \$11,025,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above \$474,900 (group audit) (2024: \$565,000) and \$279,000 (company audit) (2024: \$735,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Discussion with management on progress of research programs in the year, as well as future developments;
- Obtaining management's cash flow forecasts for the period to 31 December 2027, testing the mathematical accuracy of the calculations and assessing the completeness and accuracy of the data used; and
- Evaluation of management's assessment of key assumptions contained within the cash flow forecasts.

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and corporate taxation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to misappropriation of cash through manipulation of vendor master data, fraudulent financial reporting by overstatement of revenue through manual journal entries, and the risk of error in research and development expenses relating to clinical trials. Audit procedures performed by the engagement team included:

- enquiries of management and the entity's General Counsel around actual and potential litigation and claims including known or suspected instances of non-compliance with laws and regulations and fraud;
- completing a detailed fraud risk assessment, through enquiries of management and other officers of the Company outside the finance function and considering the overall control environment in place;
- inspecting minutes of meetings of the Board of Directors and its Committees;
- identifying and testing journal entries, in particular certain journal entries posted with unusual account combinations;
- challenging the assumptions and judgements made by management in their significant accounting estimates that involved making assumptions and considering future events that are inherently

uncertain;

- substantive testing of research and development expenses relating to clinical trials, and associated accruals;
- substantive testing on bank details of new vendors and updates to the bank details of existing vendors; and
- designing audit procedures to incorporate unpredictability around nature, timing and extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



David Farmer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge
17 April 2026

Bicycle Therapeutics plc
Registered in England No: 11036004
Consolidated statement of comprehensive income
for the year ended 31 December 2025

	Note	Year ended 31 December 2025 \$'000	Year ended 31 December 2024 \$'000
Revenue	5	72,586	35,275
Administrative expenses	6	(290,821)	(294,171)
Other operating income	6	183	260
Operating loss	6	(218,052)	(258,636)
Interest receivable and similar income	7	28,279	34,770
Interest payable and similar expenses	7	(206)	(2,684)
Net other income		28,073	32,086
Loss before taxation		(189,979)	(226,550)
Tax on loss	8	33,787	43,853
Loss for the financial year		(156,192)	(182,697)
Other comprehensive (expense) income			
Foreign exchange differences		(59,913)	10,081
Total comprehensive expense for the year		(216,105)	(172,616)
Basic and diluted loss per ordinary share	23	\$ (2.25)	\$ (3.14)
Weighted average number of ordinary shares		69,279,838	58,207,593

The notes on pages 76 to 109 are an integral part of the consolidated financial statements.

Bicycle Therapeutics plc
Registered in England No: 11036004
Consolidated and Parent Company balance sheets
as at 31 December 2025

	Note	Consolidated		Parent Company	
		As at 31 December 2025 \$'000	As at 31 December 2024 \$'000 (Restated)	As at 31 December 2025 \$'000	As at 31 December 2024 \$'000 (Restated)
Fixed assets					
Intangible assets	12	5	17	—	—
Tangible assets	13	6,016	9,499	—	—
Investments in subsidiaries	14	—	—	—	145,882
		<u>6,021</u>	<u>9,516</u>	<u>—</u>	<u>145,882</u>
Current assets					
Debtors	15	63,343	56,942	130,013	535,990
Cash at bank and in hand		263,888	214,591	233,509	171,580
Cash equivalents*		364,222	664,929	195,651	616,616
		<u>691,453</u>	<u>936,462</u>	<u>559,173</u>	<u>1,324,186</u>
Creditors: amounts falling due within one year	16	<u>(55,176)</u>	<u>(64,017)</u>	<u>—</u>	<u>—</u>
Net current assets		<u>636,277</u>	<u>872,445</u>	<u>559,173</u>	<u>1,324,186</u>
Total assets less current liabilities		<u>642,298</u>	<u>881,961</u>	<u>559,173</u>	<u>1,470,068</u>
Creditors: amounts falling after more than one year	17	<u>(36,684)</u>	<u>(93,607)</u>	<u>—</u>	<u>—</u>
Net assets		<u>605,614</u>	<u>788,354</u>	<u>559,173</u>	<u>1,470,068</u>
Capital and reserves					
Called up share capital	18	894	890	894	890
Share premium account	18	1,221,971	1,221,938	1,221,971	1,221,938
Other reserve	18	(16,209)	(3,442)	(3,442)	(3,442)
Exchange reserve	18	(39,004)	8,142	(10)	(10)
General reserve	18	178,817	145,489	178,817	145,489
(Accumulated losses)/retained earnings	18	(740,855)	(584,663)	(839,057)	105,203
Total shareholders' funds		<u>605,614</u>	<u>788,354</u>	<u>559,173</u>	<u>1,470,068</u>

* The directors identified that, as of 31 December 2024, cash equivalents, representing money market funds, had been included within cash at bank and in hand. This has been corrected in these financial statements. The correction has no impact on the Company's loss, the Parent Company's profit, cash flows for the year, or opening reserves in the current year.

The Parent Company's loss for the financial year ended 31 December 2025 is \$944,260k (year ended 31 December 2024: profit of \$20,562k).

The Consolidated and Parent Company financial statements on pages 71 to 109 were approved by the board of directors on 3 April 2026 and signed on behalf of the board of directors by:



Kevin Lee
Director
17 April 2026

The notes on pages 76 to 109 are an integral part of the financial statements.

Bicycle Therapeutics plc
Registered in England No: 11036004
Consolidated statement of changes in equity
for the year ended 31 December 2025

	Called up share capital \$'000	Share premium account \$'000	Exchange reserve \$'000	General reserve \$'000	Accumulated losses and other reserves \$'000	Total shareholders' funds \$'000
Balance as at 1 January 2024	550	670,623	(1,939)	108,970	(405,408)	372,796
Loss for the financial year	—	—	—	—	(182,697)	(182,697)
Shares issued ADS's and non-voting ordinary shares (net of costs of issue)	331	543,796	—	—	—	544,127
Shares issued from the exercise of options and settlement of RSUs	9	7,519	—	—	—	7,528
Share options and RSUs granted	—	—	—	36,519	—	36,519
Total transactions with owners, recognised directly in equity	340	551,315	—	36,519	—	588,174
Foreign currency adjustments	—	—	10,081	—	—	10,081
Balance as at 31 December 2024	890	1,221,938	8,142	145,489	(588,105)	788,354
Loss for the financial year	—	—	—	—	(156,192)	(156,192)
Shares issued from the exercise of options and settlement of RSUs	4	33	—	—	—	37
Share options and RSUs granted	—	—	—	33,328	—	33,328
Total transactions with owners, recognised directly in equity	4	33	—	33,328	—	33,365
Foreign currency adjustments	—	—	(47,146)	—	(12,767)	(59,913)
Balance as at 31 December 2025	894	1,221,971	(39,004)	178,817	(757,064)	605,614

The notes of pages 76 to 109 are an integral part of the consolidated financial statements.

Bicycle Therapeutics plc
Registered in England No: 11036004

Parent Company statement of changes in equity
for the year ended 31 December 2025

	Called up share capital \$'000	Share premium account \$'000	Exchange reserve \$'000	General reserve \$'000	Retained earnings (accumulated losses) and other reserves \$'000	Total shareholders' funds \$'000
Balance as at 1 January 2024	550	670,623	(10)	108,970	81,199	861,332
Profit for the financial year	—	—	—	—	20,562	20,562
Shares issued ADS's and non-voting ordinary shares (net of costs of issue)	331	543,796	—	—	—	544,127
Shares issued from the exercise of options and settlement of RSUs	9	7,519	—	—	—	7,528
Share options and RSUs granted	—	—	—	36,519	—	36,519
Total transactions with owners, recognised directly in equity	340	551,315	—	36,519	—	588,174
Balance as at 31 December 2024	890	1,221,938	(10)	145,489	101,761	1,470,068
Loss for the financial year	—	—	—	—	(944,260)	(944,260)
Shares issued from the exercise of options and settlement of RSUs	4	33	—	—	—	37
Share options and RSUs granted	—	—	—	33,328	—	33,328
Total transactions with owners, recognised directly in equity	4	33	—	33,328	—	33,365
Balance as at 31 December 2025	894	1,221,971	(10)	178,817	(842,499)	559,173

The notes of pages 76 to 109 are an integral part of the financial statements.

Bicycle Therapeutics plc
Registered in England No: 11036004
Consolidated statement of cash flows
for the year ended 31 December 2025

	Note	Year ended 31 December 2025 \$'000	Year ended 31 December 2024 \$'000
Cash flow from operating activities	19	(317,725)	(227,277)
Taxation received		38,165	30,110
Net cash used in operating activities		(279,560)	(197,167)
Cash flow from investing activities			
Purchase of intangible assets		—	(11)
Purchase of tangible assets		(2,350)	(1,230)
Interest received		29,526	33,017
Net cash provided by investing activities		27,176	31,776
Cash flow from financing activities			
Interest paid		(184)	(1,486)
Proceeds from issuance of ADS's and non-voting ordinary shares (net of costs of issue)		—	544,127
Repayment of loan		—	(31,863)
Proceeds from the exercise of share options and sale of ordinary shares		37	7,528
Principal payments on finance lease		(168)	(42)
Net cash (used in) provided by financing activities		(315)	518,264
Net (decrease) increase in cash and cash equivalents		(252,699)	352,873
Exchange gain on cash and cash equivalents		1,289	224
Cash and cash equivalents at the beginning of the year		879,520	526,423
Cash and cash equivalents at the end of the year		628,110	879,520

The notes of pages 76 to 109 are an integral part of the consolidated financial statements.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements

1 General information

Bicycle Therapeutics plc (the “Parent Company”) and, together with its subsidiaries (the “Company”), is a clinical-stage pharmaceutical company developing a novel and differentiated class of medicines, which the Company refers to as Bicycle[®] molecules, for diseases that are underserved by existing therapeutics. Bicycle molecules are a unique therapeutic modality combining the pharmacology usually associated with a biologic with the manufacturing and pharmacokinetic properties of a small molecule.

The Parent Company is a public company limited by shares and incorporated in England and Wales and quoted on the NASDAQ capital market under the ticker BCYC.

Its registered number is: 11036004.

Its registered office is: Blocks A & B, Portway Building, Granta Park, Great Abington, Cambridge, United Kingdom, CB21 6GS .

2 Statement of compliance

The consolidated financial statements of the Company and the financial statements of the Parent Company have been prepared in compliance with U.K. Accounting Standards, including Financial Reporting Standard 102, ‘The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland’ and the Companies Act 2006 (the “Companies Act”).

3 Summary of significant accounting policies

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value. Currently there are no financial assets and liabilities measured at fair value.

The accompanying consolidated financial statements of the Company include the accounts of Bicycle Therapeutics plc and its wholly owned subsidiaries, BicycleTx Limited, BicycleRD Limited and Bicycle Therapeutics Inc. All intercompany balances and transactions have been eliminated in consolidation.

The financial statements have been prepared under the historical cost accounting rules and in accordance with the Companies Act.

Accounting policies have been applied consistently other than when new policies have been adopted.

The Company has taken advantage of the exemption in section 408 of the Companies Act from presenting its individual statement of comprehensive income.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company and the Parent Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions, from preparing a Parent Company statement of cash flows, on the basis that it is a qualifying entity and the Parent Company’s cash flows are included in the consolidated statement of cash flows. In addition, the Parent Company is exempted from disclosing share-based payment arrangements required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23 concerning its own equity instruments as the Parent Company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

3 Summary of significant accounting policies (continued)

Parent Company has also taken the exemption available from disclosing the company key management compensation as required by FRS102 paragraph 33.7.

Going concern

The Company is involved in research and development activities and until it is able to convert this activity into a significant product revenue stream, it will be reliant upon obtaining additional funding in connection with continuing operations. More detailed analysis of the risks faced by the Company is given in the Strategic Report.

At 31 December 2025, the Company had cash and cash equivalents of \$628.1 million and the directors estimate the Company's existing cash and cash equivalents at the date of approval of these financial statements is sufficient to continue to fund the Company's operating expenses for the foreseeable future at least 12 months from the date of that approval and that is therefore appropriate to prepare these financial statements on a going concern basis.

Revenue

Revenue represents the fair value of amounts received or receivable in respect of collaborative research agreements, licence fees or milestone payments (excluding value added tax). These are recognised as revenue when the specific conditions stipulated in the agreements have been satisfied and the significant risks and rewards of ownership have been transferred to the customer.

Licensing agreements may consist of multiple elements and provide for various forms of consideration terms, such as upfront, development, regulatory and sales milestones, sales-based royalties and similar payments. To account for arrangements with multiple elements, separately identifiable components within the contract and the arrangement transaction price are identified. Development and regulatory approval milestones are included within the allocated transaction price only when it becomes probable that economic benefits will flow to the entity and the amount of revenue can be measured with reliability.

The fair value of the arrangement transaction price is allocated to the different separately identifiable components based on the relative standalone selling price of those services provided. The allocated transaction price is recognised over the respective performance period of each separately identifiable component. Amounts received in advance of the revenue recognition criteria being met are initially reported as deferred revenue.

The Company provides research and development services to its customers which often culminate in the provision of a licence to developed intellectual property. Where services are provided in the research and development or identification of a licenced molecule, the services are not considered to be a separately identifiable component to the customer/licensor if they are not distinct from the licence. Any upfront income received under such arrangements is considered to be consideration for the combined licence and research and development services component and it is recognised over the research and development term. When the services performed are an indeterminate number of acts over a specified period of time, revenue is recognised on a straight-line basis. When performance of services can be estimated reliably, the Company recognises revenue associated with the transaction by reference to the stage of completion of the transaction at the end of the reporting period. Where arrangements involve upfront consideration allowing customers the option to select additional licences and/or research and development services that represent a material right, such consideration is deferred until the option is exercised (in which case the revenue is recognised as the related services are performed) or expires (in which case the revenue is recognised immediately, as the Company has no further obligations under the arrangement).

Customer options for future components that do not represent material rights are accounted for as separate arrangements when they occur.

Where the Company grants a licence to its intellectual property and there are no further conditions stipulated in the agreement related to separately identifiable components and the significant risks and rewards of

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

ownership have been transferred to the customer the licence revenues are recognised when receipt of subsequent milestones is probable. This is typically when the milestone event is achieved or satisfied.

Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset. If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the statement of comprehensive income.

Tangible assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to their residual values over their estimated useful lives, as follows:

Laboratory equipment	3 to 5 years
Office equipment	3 to 5 years
Computer equipment	3 years
Leasehold improvements	over the remaining period of the lease

Intangible assets and amortisation

Intangible assets comprise intellectual property licences and computer software and are stated at capitalised cost less accumulated amortisation and accumulated impairment losses.

Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, assessed by the directors on a case-by-case basis, as follows:

- Intellectual property licences: 5 to 15 years
- Computer software: 3 years

The assets are reviewed for impairment if there is an indication that the carrying amount may be impaired. Provision is made against the carrying value of such assets when an impairment in value is deemed to have occurred.

Costs associated with maintaining intellectual property and computer software are recognised as an expense as incurred. Amortisation is included in other operating expenses in the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, money market funds, and other short-term highly liquid investments that are readily convertible into known amounts of cash with original maturities of three months or less.

Leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease. Incentives received to enter into an operating lease are credited to the statement of

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

comprehensive income, to reduce the lease expense, on a straight-line basis over the period of the lease.

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases. Rights of use and obligations under finance leases are recognised as assets and liabilities in the consolidated balance sheet at an amount equal to the present value of the minimum lease payments. Finance lease assets are depreciated on a straight-line basis over the earlier of the useful life of the asset or the lease term and interest expense is recognised based on the effective interest method. The Company's lease terms include the period covered by extension options and exclude the period covered by termination options when it is reasonably certain that the Company will exercise that option.

Debtors

Short term debtors are measured at transaction price, less any impairment. The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at the transaction price, and are measured subsequently at amortised cost using the effective interest method.

Investments in subsidiaries — Parent Company

Investments in subsidiaries are held at cost less accumulated impairment losses.

Provisions and contingencies

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resource is remote. Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Grant income

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions of the grants and also that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Grants from non-exchange transactions, other than government grants,

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

that impose future performance related conditions are recognised in income only when the performance-related conditions are met. Grant income is recognised gross in the statement of comprehensive income as operating income. For the year ended 31 December 2025, the Company did not recognise any government grant income (year ended 31 December 2024: \$84k). For the year ended 31 December 2025, the Company recognised income from non-exchange transactions, other than government grants, of \$184k (year ended 31 December 2024: \$175k).

Interest income

Interest income is recognised using the effective interest rate method.

Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short term benefits

Short term benefits, including holiday pay and other non-monetary benefits are recognised as an expense in the period in which the service is received.

Pension costs

The Company operates a defined contribution plan for its U.K. employees and a defined-contribution savings plan under Section 401(k) for its U.S. employees. Under these plans the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Differences between contributions payable and contributions actually paid in the period are shown as either accruals or prepayments at the year end. The assets of the plan are held separately from the Company in independently administered funds.

Share-based payments

The Company provides share-based payment arrangements to certain employees.

Equity-settled arrangements are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of the grant. The fair value is expensed on a graded basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest. An attrition rate based on the Company's average historic attrition over the past period corresponding to the length of the vesting period is used.

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

The fair value of each restricted share award is based on the fair value of the Parent Company's shares, less any applicable purchase price. The fair value of each share option award is estimated using the Black-Scholes option-pricing model which requires inputs based on certain subjective assumptions, including the fair value of shares, the expected share price volatility, the expected term of the award, the risk-free interest rate and expected dividends. During 2025, the Company began to estimate its volatility based on the historical volatility of the price of its ordinary shares. Prior to 2025, the Company estimated its volatility by using a blend of its share price history for the length of time it has market data for its shares and the historical volatility of similar public companies for the expected term of each grant.

Provision is made for National Insurance contributions on outstanding share options that are expected to be exercised using the latest enacted National Insurance rates applied to the difference between the market value of the

Bicycle Therapeutics plc
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Notes to the financial statements (continued)

underlying shares at the balance sheet date and the option exercise price. The Company has no cash-settled arrangements. The Parent Company has no employees and thus there is no charge in the statement of comprehensive income for share-based payments for the Parent Company. The charge for share-based payments has been recognised as an increase in the cost of investment in subsidiaries.

Annual bonus plan

The Company operates an annual bonus plan for employees. An expense is recognised in the statement of comprehensive income when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

Taxation

Taxation income and expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Income tax credit

The Company, through its subsidiaries in the U.K., receives reimbursements of certain research and development expenditures as part of a U.K. government research and development tax reliefs program. For 2024, the Company benefitted from the Small and Medium-sized Enterprises (“SME”) R&D Tax Relief program, under which the Company was able to surrender trading losses that arose from qualifying research and development expenses incurred by the Company’s subsidiaries in the U.K. for a cash rebate. The Finance Act 2024, which was enacted in February 2024, replaced the legacy research and development expenditure credit and the SME R&D Tax Relief program with a merged research and development expenditure credit scheme (“RDEC”) and an enhanced research and development intensive support scheme (“ERIS”). The Finance Act 2024 also introduced certain restrictions, effective for accounting periods beginning on or after 1 April 2024, on the tax relief that can be claimed for expenditures incurred on subcontracted R&D activities or externally provided workers, where such subcontracted activities are not carried out in the U.K. or such workers are not subject to UK payroll taxes. The Finance Act 2024 increased the cash rebate that may be claimed from 18.6% to 26.97% of qualifying expenditure, retroactively applied to qualifying expenditures incurred after 1 April 2023, if the Company qualifies as “R&D intensive” for an accounting period (broadly, a loss-making SME whose relevant R&D expenditure represents, for accounting periods beginning on or after 1 April 2023, 40%, or, for accounting periods beginning on or after 1 April 2024, 30% of its total expenditure for that accounting period). The Company qualified as R&D intensive for the years ended 31 December 2025 and 2024. The credits are calculated based on the amount and nature of the research and development expenditure incurred and are accounted for within the tax provision in the year in which the expenditures were incurred.

Deferred tax

Provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Research and development expenditure comprises all expenditure that is directly attributable to research or development activities. Expenditure on research and development is expensed in the period which it is incurred.

Related party transactions

The Company discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the financial statements.

Foreign currencies

Transactions in foreign currencies are recorded in an entity's functional currency using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the date of the transaction. Adjustments that arise from exchange rate changes on transactions denominated in a currency other than the functional currency are included as profit or loss as incurred.

Basis of consolidation

Subsidiaries are entities controlled by the Parent Company. Control exists when the Parent Company has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. In assessing control, the Parent Company takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the financial statements from the date control is achieved to the date control ceases. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Functional and presentational currency

Functional currency

The Parent Company's functional currency is the U.S. dollar. The Parent Company's subsidiaries in the U.K., BicycleTx Limited and BicycleRD Limited, use British pound sterling as their functional currencies and their results have been translated into U.S. dollars for inclusion in these consolidated financial statements. The functional currency of the Parent Company's subsidiary in the U.S., Bicycle Therapeutics Inc., is the U.S. dollar.

Presentational currency

The presentational currency is U.S. dollars, rounded to the nearest \$000, for all years presented in these financial statements. The Company translates the assets and liabilities of BicycleTx Limited and BicycleRD Limited into U.S. dollars at the exchange rate in effect on the balance sheet date. Revenue and expenses are translated into U.S. dollars at the average exchange rate in effect during the period. Unrealised translation gains and losses are recorded as a currency translation adjustment, which is included in the statement of changes in equity.

Share Capital

Ordinary shares and non-voting ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction from the proceeds.

Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the associated debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, cash and cash equivalents, and loans to the Parent Company's subsidiaries, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

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

At the end of each reporting year financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount of the asset and its recoverable amount. The impairment loss is recognised in the statement of comprehensive loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive loss.

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

Financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial liabilities also include certain other financial instruments where the Company does not have the unconditional right to avoid settling in cash or by delivery of another financial asset, or otherwise settle it in such a way that they would be financial liabilities.

Debt and certain other financial instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

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

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

Accrued external research and development expenses

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

4 Critical accounting judgements and estimation uncertainty (continued)

The Company has entered into various research and development and manufacturing contracts, including contracts with respect to preclinical studies and clinical trials, with companies both inside and outside of the United States. These agreements are generally cancelable with 90 days or less notice, and related costs are recorded as research and development expenses as incurred. The Company records accruals for estimated ongoing costs. When estimating accrued liabilities, the Company analyses progress of the research and development and manufacturing activities, including the level of service performed and the associated cost incurred, invoices received and contracted costs. This process involves reviewing open contracts and purchase orders, communicating with the Company's personnel to identify services that have been performed on the Company's behalf and estimating the level of service performed and the associated cost incurred for the service when the Company have not yet been invoiced or otherwise notified of actual costs. The Company makes estimates of the accrued balances as of each balance sheet date in the consolidated financial statements based on facts and circumstances known at that time. Actual results could differ from the Company's estimates. The Company's historical accrual estimates have not been materially different from the actual costs. As of 31 December 2025, the Company recorded accrued external research and development expenses of \$20,493k (31 December 2024: \$14,978k) which are included in the "Accruals and deferred income" line item per note 16 "*Creditors: amounts falling due within one year.*"

Significant judgements and estimates

Accounting for termination of Novartis Collaboration Agreement

In November 2025, Novartis provided the Company with a notice of termination of the Novartis Collaboration Agreement in its entirety, effective in February 2026 after a contractual 90-day notice period. Management exercised significant judgement in concluding that the notice of termination should be accounted for in 2025. Management concluded that the notice of termination substantively removes all remaining separately identifiable components, including remaining material rights, as of the date of the notice in 2025 as Novartis will not benefit from any remaining activities performed during the notice period and the likelihood of exercising any remaining options is remote. As a result, the Company recognised all remaining unrecognised transaction price under the Novartis arrangement of \$41.9 million as revenue on the date of the notice of termination.

Investments in subsidiary companies and amounts owed by group undertakings (Parent Company only)

The Parent Company has investments in and intercompany receivables due from its subsidiaries. The Parent Company assesses the recoverability of the balances at each reporting date. If there is an indication that the Parent Company's investments in and intercompany receivables due from its subsidiaries are not recoverable, the Parent Company estimates the recoverable amount of the associated assets. If the recoverable amount is less than the carrying amount, the carrying amount is impaired and reduced to its recoverable amount through an impairment in profit or loss. At 31 December 2025, the Parent Company determined that there was an indicator of impairment of its investments in and intercompany receivables due from its subsidiaries as the carrying amount of the assets exceeded the Group's market capitalisation at that date. The Parent Company therefore estimated the recoverable amounts, being the higher of the value in use or fair value less costs to sell, of the assets, and recorded impairment losses on the intercompany receivables of \$790,152k during the year ended 31 December 2025 (31 December 2024: \$8,331k) and impairment losses on the investments of \$179,210k during the year ended 31 December 2025 (31 December 2024: \$69k).

The Directors do not consider there to be any other critical accounting estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities within the next financial year.

5 Revenue

All the Company's revenue was generated from collaborative research arrangements. The Company's

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

5 Revenue (continued)

revenues are attributed to the operations of the Company in the United Kingdom. The following is a summary of the Company's customers by their geography:

	2025 \$'000	2024 \$'000
Continental Europe	55,905	11,554
North America	16,681	23,721
	72,586	35,275

No further segmental information is given. A segment is a distinguishable component of the Company that is engaged in either providing related products or services which is subject to risks and rewards that are different from those of other segments. The CEO reviews the Company's internal reporting in order to assess performance and allocate resources. Management has determined that there is one operating segment based on these reports.

Collaboration and Licence Agreement with Bayer

Under the Company's collaboration with Bayer, the total transaction price was determined to be \$47.5 million, consisting of a \$45.0 million upfront payment and an estimated \$2.5 million for the reimbursement of certain external contract research organisation costs. The Company is also eligible to receive additional payments upon Bayer's exercise of options as well as specified development, regulatory and sales milestone payments and tiered royalty payments on net sales. These additional payments are excluded from the transaction price as they relate to option fees, milestones and royalties that can only be achieved subsequent to the exercise of an option.

The Company identified the following separately identifiable components at the inception of the contract: (i) two combined licence and research and development components associated with radiopharmaceutical compounds for two initial targets; (ii) a material right associated with certain limited substitution rights with respect to either of the two initial targets; (iii) two material rights associated with the option to progress radiopharmaceutical candidates for the two initial targets into further development; (iv) two material rights associated with the options to generate, develop and commercialise non-radiopharmaceutical compounds for each of the two initial targets, for which each option includes an underlying option for research and development services and an option to progress non-radiopharmaceutical candidates for the two initial targets into further development; and (v) a material right related to the option to expand the collaboration to include a third target, which upon exercise includes research and development services associated with radiopharmaceutical compounds for the third target, as well as underlying options for: certain limited substitution rights; an option to progress a radiopharmaceutical candidate for the third target into further development; and an option to generate, develop, and commercialise non-radiopharmaceutical compounds for the third target, inclusive of an underlying option for research and development services and an option to progress a non-radiopharmaceutical candidate into further development

The Company recognises revenue related to amounts allocated to the combined licence and research and development components for the initial targets by reference to the stage of completion at the end of the reporting period using a proportional performance model over the period of service using input-based measurements. The amounts allocated to the material rights are recorded as deferred revenue and the Company will commence revenue recognition upon exercise or expiry of the respective option.

In November 2025, Bayer provided the Company with a notice of termination of one of the initial target programs, effective in January 2026. As the notice of termination removes components from the arrangement, the Company reallocated the remaining unrecognised transaction price as of the date of the notice to the remaining unsatisfied and partially satisfied components and updated the stage of completion as of that date, resulting in the recognition of revenue of \$5.5 million. The following table summarises the allocation of the remaining unrecognized transaction price to the remaining unsatisfied and partially satisfied components as of the date of the notice:

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

5 Revenue (continued)

	<u>Allocation of Transaction Price \$'000</u>
Remaining separately identifiable components:	
Combined licence and research and development component associated with radiopharmaceutical compounds for the remaining initial target	10,125
Material right associated with certain limited substitution rights with respect to the remaining initial target	2,206
A material right associated with the option to progress radiopharmaceutical candidates for the remaining initial target into further development	10,614
A material right associated with the options to generate, develop and commercialise non-radiopharmaceutical compounds for the remaining initial target	6,288
A material right for the option to expand the collaboration to include a third target and the underlying additional option rights	10,986
	<u>40,219</u>

The combined component is expected to be satisfied over approximately the next two years and the remaining material rights are expected to be exercised or expire within approximately seven years from contract inception.

During the year ended 31 December 2025, the Company recognised revenue of \$8.9 million related to the collaboration with Bayer (year ended 31 December 2024: \$3.4 million).

Collaboration and Licence Agreement with Novartis

Under the Company's collaboration with Novartis, the total transaction price was determined to be \$50.0 million, consisting of the \$50.0 million upfront payment. In November 2024, the Company achieved a specified discovery milestone for the first target program and therefore updated its estimate of the variable consideration to include an additional \$3.0 million. The transaction price was increased to \$53.0 million.

The Company identified the following separately identifiable components at the inception of the arrangement: (i) two combined licence and research and development components for the two initial targets; (ii) two material rights associated with certain limited substitution rights with respect to the two initial targets; (iii) two material rights associated with the option to progress development candidates incorporating radionuclides for the two initial targets; and (iv) two material rights associated with the option to progress development candidates that do not incorporate radionuclides for the two initial targets. The transaction price was allocated to the separately identifiable components based on the relative estimated standalone selling prices of each separately identifiable component.

The Company recognised revenue related to amounts allocated to the combined licence and research and development components for the two initial targets by reference to the stage of completion at the end of the reporting period using a proportional performance model over the period of service using input-based measurements. The amounts allocated to the material rights were recorded as deferred revenue and the Company would commence revenue recognition upon exercise or expiry of the respective option. During the year ended 31 December 2024, the Company recognised revenue of \$2.5 million upon the expiration of Novartis' material rights for limited substitution rights for each target.

In November 2025, Novartis provided the Company with a notice of termination of the Novartis Collaboration Agreement in its entirety, effective in February 2026 after a contractual 90-day notice period.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

5 Revenue (continued)

Management exercised significant judgement in concluding that the notice of termination should be accounted for in 2025. Management concluded that the notice of termination substantively removes all remaining separately identifiable components, including remaining material rights, as of the date of the notice in 2025 as Novartis will not benefit from any remaining activities performed during the notice period and the likelihood of exercising any remaining options is remote. As a result, the Company recognised all remaining unrecognised transaction price under the Novartis arrangement of \$41.9 million as revenue on the date of the notice of termination.

During the year ended 31 December 2025, the Company recognised revenue of \$47.0 million related to the collaboration with Novartis (year ended 31 December 2024: \$8.2 million).

Ionis Agreements

Under the Company's collaboration with Ionis, the total transaction price was determined to be \$38.0 million, consisting of a \$31.0 million up front payment in 2021 from the Ionis Collaboration Agreement, a \$3.0 million payment in 2021 under an evaluation and option agreement, a \$3.4 million premium paid in 2021 for ordinary shares purchased under the Ionis Share Purchase Agreement, and an estimated \$0.6 million for the reimbursement of contract research organisation costs. During the year ended 31 December 2024, the Company updated its estimate of reimbursement of contract research organisation costs from \$0.6 million to \$0.4 million, and the transaction price was decreased to \$37.8 million. The Company is also eligible to receive specified development, regulatory and sales milestone payments, as well as tiered royalty payments on net sales. Future milestone and royalty payments are not included in the transaction price due to the uncertainty regarding whether any of the milestones will be achieved.

The transaction price was allocated to the separately identifiable components, including a combined licence and research and discovery component and four material rights associated with options to obtain credits to be applied towards certain regulatory acceptance fees, based on the relative estimated standalone selling prices of each identifiable component. The Company recognised revenue related to amounts allocated to the combined licence and research and discovery component by reference to the stage of completion at the end of the reporting period using a proportional performance model over the period of service using input-based measurements. The amounts allocated to the material rights are recorded as deferred revenue and the Company commences revenue recognition upon exercise of or upon expiry of the respective option. The combined licences and research and discovery component was completed during the year ended 31 December 2024. The Company anticipates the material rights may be exercisable or may expire after approximately four years from contract execution.

In July 2025, the first product incorporating TfR1 Bicycle molecules under the Ionis Agreements achieved acceptance of an investigational new drug application and Ionis paid the Company \$2.0 million. As a result, the transaction price increased from \$37.8 million to \$39.8 million, and the Company recognised revenue of \$2.0 million during the year ended 31 December 2025.

During the year ended 31 December 2025, the Company recognised revenue of \$2.0 million related to the collaboration with Ionis (year ended 31 December 2024: \$8.9 million).

Discovery Collaboration and License Agreement with Genentech

Under the Company's collaboration with Genentech, the total transaction price under the collaboration was initially determined to be \$31.0 million, consisting of the \$30.0 million upfront fee and an additional \$1.0 million for Genentech's selection of a new targeting arm at inception. In March 2021, the Company achieved specified criteria in accordance with the research plan and therefore updated its estimate of the variable consideration to include an additional \$2.0 million. The arrangement consideration was increased to \$33.0 million. Additional variable consideration for development milestones not subject to option exercises was fully constrained, as a result of the uncertainty regarding whether any of the milestones will be achieved.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

5 Revenue (continued)

The transaction price was allocated to the separately identifiable components, including two combined licence and research and development components for the two initial collaboration programs, as well as material rights associated with various future licence, research and development services, and limited substitution options, based on the relative estimated standalone selling prices of each separately identifiable component.

In October 2021 and June 2022, respectively, Genentech exercised the first and second expansion options to add additional collaboration programs and paid to the Company expansion fees of \$10.0 million for each option. For the first expansion option, Genentech also elected for the Company to perform discovery and optimisation services for a targeting arm, and the Company received an additional payment of \$1.0 million for additional research services. The Company accounted for each expansion option, including the option to a targeting arm for the first expansion option, as a continuation of an existing contract as the customer decided to purchase additional goods and services contemplated in the original contract. The additional arrangement consideration for each option together with amounts originally allocated to each option were allocated to the separately identifiable components underlying each expansion option on the same basis as the initial allocation of the Genentech Collaboration Agreement. In December 2022, upon achievement of specified criteria for the a targeting arm in accordance with the research plan, the Company allocated the additional consideration received of \$2.0 million entirely to the expansion option collaboration program and targeting arm services.

The Company recognised amounts allocated to the combined components as the underlying services are performed by reference to the stage of completion at the end of the reporting period using a proportional performance model over the period of service using input-based measurements. The amounts allocated to the material rights were recorded as deferred revenue and the Company would commence revenue recognition upon exercise of or upon expiry of the respective option.

In June 2023, Genentech terminated one of the initial collaboration programs and revenue of \$6.0 million was recognised during the year ended 31 December 2023. In January 2024, the JRC decided to discontinue research activities associated with one of the expansion option programs and, as a result, the Company recognized revenue of \$10.4 million during the year ended 31 December 2024. In January 2025, Genentech provided the Company with a notice of termination for the other expansion option program, effective in March 2025, and the Company recognised revenue of \$7.5 million during the year ended 31 December 2025. In July 2025, Genentech provided the Company with notice of termination of the Genentech Collaboration Agreement, effective in August 2025. As a result, the Company recognized the remaining deferred revenue under the arrangement of \$6.5 million during the year ended 31 December 2025.

During the year ended 31 December 2025, the Company recognised revenue of \$14.7 million related to the collaboration with Genentech (year ended 31 December 2024: \$14.8 million).

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

6 Operating loss

The Company's consolidated operating loss is stated after charging/(crediting):

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
Expenditure on research and development	229,171	171,208
Depreciation of tangible assets	6,409	6,670
Amortisation of intangible assets	13	45
Operating lease charges	4,730	4,651
(Gain) loss on foreign exchange	(56,995)	9,396
Wages and salaries (note 9)	71,150	60,513
Social security costs (note 9)	10,157	8,482
Other pension costs (note 9)	5,087	3,967
Share-based payments (note 11)	33,328	36,519
<i>Auditors' remuneration</i>		
Audit of these financial statements	107	117
Audit of the Parent Company's subsidiaries	87	89
Audit services for U.S. SEC financial statements	749	1,097
Audit-related assurance services	300	322

In addition, auditors' remuneration of \$Nil relating to share issuance costs were charged to the share premium account in the year ended 31 December 2025 (31 December 2024: \$43k).

Social security costs include the movement of the provision made for National Insurance contributions on outstanding share options that are expected to be exercised and for the year ended 31 December 2025 this caused a decrease in the expense of \$395k (year ended 31 December 2024: decrease of \$1,128k).

Expenditure on research and development includes staff costs as follows:

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
Wages and salaries	44,885	40,336
Social security costs	6,226	3,762
Other pension costs	3,801	2,696

7 Net interest and similar income/(expense)

a) Interest receivable and similar income

The Company's interest receivable and other income consisted of the following:

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
Bank interest	28,279	34,109
Gain on derecognition of financial liability under Cancer Research UK agreement	—	661
Interest receivable and similar income	<u>28,279</u>	<u>34,770</u>

b) Interest payable and similar expenses

The Company's interest payable and similar expenses consisted of the following:

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
Interest payable on loan and other borrowings	—	1,584
Finance charge	206	146
Loss on derecognition of financial liability under Hercules loan agreement	—	954
Interest payable and similar expenses	<u>206</u>	<u>2,684</u>

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

8 Tax on loss

The Company's tax on loss consisted of the following:

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
Current tax:		
U.K. corporation tax on losses for the year	(34,923)	(35,841)
Foreign corporation tax on profits for the year	898	514
Adjustment in respect of prior years	<u>101</u>	<u>(7,334)</u>
Total current tax	<u>(33,924)</u>	<u>(42,661)</u>
Deferred tax:		
Origination and reversal of timing differences	(3)	(622)
Adjustment in respect of prior years	<u>140</u>	<u>(570)</u>
Deferred tax recognised in the year	<u>137</u>	<u>(1,192)</u>
Tax credit on loss	<u>(33,787)</u>	<u>(43,853)</u>

The tax assessed for the year is higher (2024: higher) than the standard rate of corporation tax in the U.K. (25%) (2024: 25%). The tax reconciliation for the year is given below:

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
Loss before taxation	(189,979)	(226,550)
Loss reconciled to the current tax rate of 25% (2024: 25%)	(47,495)	(56,638)
<i>Effects of:</i>		
(Income)/expenses not taxable for tax purposes	(608)	(635)
Surrender of tax losses for research and development tax credit refund	25,289	26,303
Fixed asset and other timing differences not recognised	966	(3)
Deferred tax not recognised on share-based payment and payroll taxes	(882)	(917)
Deferred tax not recognised on tax losses	11,324	19,491
Research & Development enhanced allowance	(27,840)	(28,957)
Difference in overseas tax rates	(185)	(143)
Research and development expenditure credits	(2,819)	(2,873)
Adjustment in respect of prior periods	241	(7,904)
Amounts relating to share options and other permanent differences	<u>8,222</u>	<u>8,423</u>
Total tax credit on loss	<u>(33,787)</u>	<u>(43,853)</u>

No corporation tax liability arises on the results for the year due to the loss incurred. A tax credit of \$34,920k (2024: \$43,123k) has arisen as a result of tax losses being surrendered in respect of research and development expenditure.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

8 Tax on loss (continued)

	Amount unrecognised 31 December 2025 \$'000	Amount unrecognised 31 December 2024 \$'000
Tax effect of timing differences because of:		
Other timing differences	96	184
Share-based payment	881	1,692
Fixed assets	1,723	611
Tax losses carried forward	101,366	85,210
Deferred Tax Asset	104,066	87,697

Deferred tax assets are not recognised where there is insufficient evidence that they are recoverable. Deferred tax is calculated using tax rates that apply based on rates enacted or substantively enacted by the reporting date. Deferred tax assets of \$Nil (31 December 2024: \$Nil) have been recognised as the Company considers it probable that they will be recovered against the reversal of deferred tax liabilities. These deferred tax assets and liabilities have been offset since the Company has a legally enforceable right to offset current tax assets against current tax liabilities when these deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Company regularly assesses its ability to realise its deferred tax assets through future taxable profits. Assessing the realisation of deferred tax assets requires significant judgement. After consideration of the evidence, including the Company's history of cumulative net losses in the U.K., the Company has concluded that, other than the deferred tax assets which will be recovered against the reversal of deferred tax liabilities, it is more likely than not that the Company will not realise the benefits of its other U.K. deferred tax assets and accordingly the Company has not recognised these U.K. deferred tax assets as they are not considered recoverable. There is no expiry date of the deferred tax assets. The Company has considered the Company's history of cumulative net profits in the U.S., estimated future taxable income and concluded that it is more likely than not that the Company will realise the benefits of its U.S. deferred tax assets and has recognised net U.S. deferred tax assets.

The Company has recognised deferred tax (liabilities)/assets within its U.S. subsidiary as follows:

	Amount recognised 31 December 2025 \$'000	Amount recognised 31 December 2024 \$'000
Tax effect of timing differences because of:		
Fixed asset and other timing differences	1	(7)
Share-based payment	308	392
Other	5,642	5,698
Deferred Tax Asset	5,951	6,083

Of the above \$3,890k is non-current (31 December 2024: \$3,989k). There is no expiry date of the deferred tax assets. The Parent Company had no recognised or unrecognised deferred tax assets.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

8 Tax on loss (continued)

Deferred tax recognised in the year is as follows:

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
Deferred tax asset brought forward	6,083	4,891
Fixed asset and other timing differences	9	333
Share-based payment	(84)	(2,894)
Research credit carry forwards	171	3,349
Other	(228)	404
Deferred tax asset carried forward	<u>5,951</u>	<u>6,083</u>

9 Staff costs

The average monthly number of persons (including executive directors) employed by the Company during the year was:

	<u>2025</u> <u>Number</u>	<u>2024</u> <u>Number</u>
By activity		
Research and development	250	227
Administration	77	65
	<u>327</u>	<u>292</u>

Their aggregate remuneration comprised:

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
Wages and salaries	71,150	60,513
Social security costs	10,157	8,482
Other pension costs	5,087	3,967
Share-based payment compensation	33,328	36,519
	<u>119,722</u>	<u>109,481</u>

The Parent Company had no employees other than directors.

10 Directors' emoluments

The aggregate emoluments of the directors of the Company are set out below:

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
Aggregate emoluments	3,157	3,130
Company pension contributions to money purchase schemes	13	13
	<u>3,170</u>	<u>3,143</u>

One director had retirement benefits accruing to them under a defined contribution scheme and also received cash in lieu of contributions to this scheme. One director is associated with Stone Atlanta Estates LLC which provided consultancy services to the Company in exchange for fees totalling \$101k up until the date of their resignation in the year ended 31 December 2025 (2024: \$342k) and are included in the amounts above. One director is associated with UCL Consultants Limited, which provided consultancy services to the Company totalling \$41k for the year ended 31 December 2025 (2024: \$Nil) and are included in the amounts above.

Two directors provided consultancy services to the Company totalling \$91k for the year ended 31 December 2025 (2024: \$Nil) which are included in the amounts above.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

10 Directors' emoluments (continued)

No directors exercised share options during the year ended 31 December 2025 (2024: \$Nil).

Emoluments paid to the highest paid director are set out below:

	2025	2024
	\$'000	\$'000
Aggregate emoluments	2,280	2,251
Pension contributions to money purchase schemes	13	13
	<u>2,293</u>	<u>2,264</u>

Further details of the directors' remuneration are contained in the Directors' Remuneration Report.

11 Share-based payments

Employees of the Parent Company's subsidiaries have been granted options to purchase ordinary shares in the Parent Company as well as restricted share units ("RSUs") for ordinary shares. Each RSU represents the right to receive one ordinary share upon vesting. Options granted typically vest over a four-year service period with 25% of the award vesting on the first anniversary of the commencement date and the balance thereafter in 36 equal monthly instalments. RSUs granted typically vest over a four-year service period with 25% of the award vesting on the first anniversary of the commencement date and the remaining RSUs vest in 12 equal quarterly instalments. Certain options and RSUs granted to non-employee directors either vest over a three-year service period in three equal annual instalments for new non-employee director grants or over a one-year service period in four equal quarterly instalments. The Company may also, in its sole discretion, provide for deferred settlement of RSUs awarded to the Company's non-employee directors.

Options granted generally expire 10 years from the date of grant.

A reconciliation of the Company's share option movements over the years ended 31 December 2024 and 31 December 2025 is shown below:

	Number	Weighted	Weighted	Aggregate
	(000)	average	Average	Intrinsic value
		exercise price	Remaining	\$'000
			Contractual	
			(in years)	
Outstanding at 1 January 2024	7,470	\$ 23.13	6.83	21,920
Granted	2,438	\$ 19.42	—	—
Forfeited	(605)	\$ 27.37	—	—
Exercised	(554)	\$ 13.57	—	—
Outstanding at 31 December 2024	<u>8,749</u>	<u>\$ 22.41</u>	<u>6.81</u>	<u>9,559</u>

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

11 Share-based payments (continued)

	Number (000)	Weighted average exercise price	Weighted Average Remaining Contractual (in years)	Aggregate Intrinsic value \$'000
Outstanding at 1 January 2025	8,749	\$ 22.41	6.81	9,559
Granted	1,917	\$ 12.38	—	—
Forfeited	(853)	\$ 23.21	—	—
Exercised	(10)	\$ 3.39	—	—
Outstanding at 31 December 2025	<u>9,803</u>	<u>\$ 20.40</u>	<u>6.22</u>	<u>2,680</u>

The assumptions used in the Black-Scholes option pricing model to determine the value of share options granted to employees and directors during the years ended 31 December 2025 and 31 December 2024 were as follows:

	2025	2024
Risk-free interest rate	4.3 %	4.0 %
Expected volatility	74.0 %	77.0 %
Expected dividend yield	—	—
Expected term (in years)	6.1	6.1

A reconciliation of the Company's RSU movements over the year ended 31 December 2024 and 31 December 2025 is shown below:

	Number (000)	Weighted-Average Grant Date Fair Value (\$)
Unvested at 1 January 2024	327	37.40
Granted	617	18.26
Vested and settled	(141)	37.76
Vested and deferred ⁽¹⁾	(42)	18.07
Forfeited	(87)	22.15
Unvested outstanding at 31 December 2024	<u>674</u>	<u>22.96</u>
Vested but subject to deferred settlement at 31 December 2024 ⁽¹⁾	42	18.07
Outstanding at 31 December 2024	<u>716</u>	<u>22.67</u>

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

	Number	Weighted-Average
	(000)	Grant Date Fair Value
		(\$)
Unvested at 1 January 2025	674	22.96
Granted	1,453	13.74
Vested and settled	(296)	25.03
Vested and deferred ⁽¹⁾	(55)	15.17
Forfeited	(229)	14.77
Unvested outstanding at 31 December 2025	1,547	15.40
Vested but subject to deferred settlement at 1 January 2025 ⁽¹⁾	42	18.07
Vested and deferred ⁽¹⁾	55	15.17
Vested but subject to deferred settlement at 31 December 2025 ⁽¹⁾	97	16.42
Outstanding at 31 December 2025	1,644	15.46

(1) The Company granted certain RSUs to the Company's non-employee directors which provided for deferred settlement of the RSUs to a specified date following the first to occur of (i) the date of the director's separation from service, (ii) the date of the director's disability, (iii) the date of the director's death or (iv) the date of a change in control event.

The expense recognised for equity-settled awards in respect of employee services received during the year ended 31 December 2025 is \$33,328k (2024: \$36,519k).

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

12 Intangible assets

Intangible assets of the Company consist of the following:

	Intellectual Property Licence \$'000	Computer Software \$'000	Total \$'000
Cost			
At 1 January 2025	300	73	373
Foreign exchange	21	5	26
At 31 December 2025	<u>321</u>	<u>78</u>	<u>399</u>
Accumulated amortisation			
At 1 January 2025	299	57	356
Charge for the year	1	12	13
Foreign exchange	21	4	25
At 31 December 2025	<u>321</u>	<u>73</u>	<u>394</u>
Net book value			
As at 31 December 2025	<u>—</u>	<u>5</u>	<u>5</u>
As at 31 December 2024	<u>1</u>	<u>16</u>	<u>17</u>

The Parent Company had no intangible assets.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

13 Tangible assets

	Office equipment \$'000	Laboratory equipment \$'000	Computer equipment \$'000	Leasehold improvement \$'000	Finance lease assets – computer equipment \$'000	Total \$'000
Cost						
At 1 January 2025	1,291	14,658	509	10,903	1,033	28,394
Additions	99	1,869	22	356	—	2,346
Disposals	(602)	(35)	—	—	—	(637)
Foreign exchange	76	1,071	25	772	73	2,017
At 31 December 2025	<u>864</u>	<u>17,563</u>	<u>556</u>	<u>12,031</u>	<u>1,106</u>	<u>32,120</u>
Accumulated depreciation						
At 1 January 2025	742	11,568	310	6,223	52	18,895
Charge for the year	672	2,810	120	2,590	217	6,409
Disposals	(602)	(35)	—	—	—	(637)
Foreign exchange	50	874	20	486	7	1,437
At 31 December 2025	<u>862</u>	<u>15,217</u>	<u>450</u>	<u>9,299</u>	<u>276</u>	<u>26,104</u>
Net book value						
At 31 December 2025	<u>2</u>	<u>2,346</u>	<u>106</u>	<u>2,732</u>	<u>830</u>	<u>6,016</u>
At 31 December 2024	<u>549</u>	<u>3,090</u>	<u>199</u>	<u>4,680</u>	<u>981</u>	<u>9,499</u>

The Parent Company had no tangible assets.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

14 Investments in subsidiaries

Investments of the Parent Company consisted of the following:

	Investment in subsidiary undertaking \$'000
Cost	
At 1 January 2024	109,432
Capital contribution arising from equity-settled share-based payments	36,519
Impairment	(69)
At 31 December 2024	145,882
Net book value	
At 31 December 2024	145,882
Cost	
At 1 January 2025	145,882
Capital contribution arising from equity-settled share-based payments	33,328
Impairment	(179,210)
At 31 December 2025	—
Net book value	
At 31 December 2025	—

The Parent Company has three wholly owned subsidiaries: BicycleTx Limited and BicycleRD Limited, which are based in Cambridge, U.K. and Bicycle Therapeutics Inc., which is based in Massachusetts, U.S. All these subsidiaries perform research and development activities. During the year ended 31 December 2025, the Parent Company recognised an impairment loss in respect of its investments in subsidiaries of \$179,210k (year ended 31 December 2024: \$69k) (see note 4).

Subsidiary undertakings

Name	Class of shares	Country of incorporation	Holding	Principal activity
BicycleTx Limited	Ordinary	United Kingdom	100%	Research and development of novel bicyclic peptides
BicycleRD Limited	Ordinary	United Kingdom	100%	Research and development of novel bicyclic peptides
Bicycle Therapeutics Inc.	Common	United States	100%	Research and development of novel bicyclic peptides

The registered office address of BicycleTx Limited and BicycleRD Limited is Blocks A & B, Portway Building Granta Park, Great Abington, Cambridge, United Kingdom, CB21 6GS. The registered office address of Bicycle Therapeutics Inc. is 4 Hartwell Place, Lexington, MA 02421.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

15 Debtors

	Consolidated		Parent Company	
	31 December 2025 \$'000	31 December 2024 \$'000	31 December 2025 \$'000	31 December 2024 \$'000
Amounts falling due within one year				
Amounts owed by group undertakings, net	—	—	128,583	533,110
Deferred corporation tax	5,951	6,083	—	—
Research and development tax credit	35,594	35,653	—	—
Other debtors	3,795	6,408	1,430	2,880
Prepayments and accrued income	18,003	8,798	—	—
	<u>63,343</u>	<u>56,942</u>	<u>130,013</u>	<u>535,990</u>

Amounts owed by group undertakings are interest free with no fixed terms of repayment. During the year ended 31 December 2025, the Parent Company recognised an impairment loss of in respect of the amounts owed by group undertakings of \$790,152k (2024: \$8,331k) (see note 4).

As of 31 December 2025, the Company had \$605k (31 December 2024: \$547k) of restricted cash primarily related to a collateralised letter of credit in connection with the Company's lease for office and laboratory space in Cambridge, Massachusetts, which is included within Other debtors.

16 Creditors: amounts falling due within one year

	Consolidated		Parent Company	
	31 December 2025 \$'000	31 December 2024 \$'000	31 December 2025 \$'000	31 December 2024 \$'000
Amounts falling due within one year				
Trade creditors	9,669	15,793	—	—
Finance leases	205	175	—	—
Taxation and social security	2,088	1,654	—	—
Accruals and deferred income	43,214	46,395	—	—
Amounts owed to group undertakings	—	—	—	—
	<u>55,176</u>	<u>64,017</u>	<u>—</u>	<u>—</u>

In August 2024, the Company consolidated all discovery research activities to the Company's headquarters in Cambridge, U.K. As a result, during the year ended 31 December 2024, the Company recognised charges of \$1,962k in severance and other termination benefits related to the action within profit and loss, of which \$1,527k were paid during the year ended 31 December 2024, and the remaining \$435k were paid during the year ended 31 December 2025.

In August 2025, the Company announced cost reduction initiatives to reduce planned operating costs, primarily through a workforce reduction. As of 31 December 2025, the workforce reduction is substantially completed and the Company incurred aggregate charges for severance and other employee termination benefits of \$5,274k during the year ended 31 December 2025 within profit and loss, of which \$4,972k were paid during the year ended 31 December 2025 and the remaining \$301k in unpaid benefits are included in accruals and deferred income above.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

17 Creditors: amounts falling due after more than one year

	Consolidated		Parent Company	
	31 December 2025 \$'000	31 December 2024 \$'000	31 December 2025 \$'000	31 December 2024 \$'000
Amounts falling due after more than one year				
Finance leases	669	817	—	—
Accruals and deferred income	36,015	92,790	—	—
	<u>36,684</u>	<u>93,607</u>	<u>—</u>	<u>—</u>

On 30 September 2020, Bicycle Therapeutics plc and its subsidiaries (the “Borrowers”) entered into a loan and security agreement (the “Loan Agreement”) with Hercules, as amended from time to time, which provided for aggregate maximum borrowings of up to \$75.0 million, of which the Company had drawn down an aggregate of \$30.0 million in 2021 and 2020. Payments on borrowings under the Loan Agreement were interest-only until 1 April 2025 and interest was paid at an annual rate of the *Wall Street Journal* prime rate plus 4.55%, with a minimum annual rate of at least 8.05%, capped at a rate no greater than 9.05%. The scheduled maturity date was 1 July 2025.

On 9 July 2024, the Company repaid in its entirety and voluntarily terminated the Loan Agreement. The Company elected to repay all amounts outstanding, including the outstanding borrowings of \$30.0 million, accrued and unpaid interest of \$0.1 million, an end-of-term charge of \$1.5 million and a prepayment charge of \$0.3 million, for a total aggregate payment of \$31.9 million. The Company recognised a loss on the derecognition of the financial liability \$954k during the year ended 31 December 2024 in connection with the repayment and termination of the Loan Agreement.

Interest expense associated with the Loan Agreement for the year ended 31 December 2025 was \$Nil (2024: \$1,584k).

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

18 Called up share capital and reserves

The Parent Company's called up share capital and reserves consisted of the following:

	31 December 2025 \$'000	31 December 2024 \$'000
Issued, allotted, called up and fully paid		
49,929,952 (31 December 2024: 47,569,319) ordinary shares of £0.01 each	619	615
19,437,944 (31 December 2024: 21,492,099) non-voting ordinary shares of £0.01 each	275	275
	894	890

No dividends have been proposed or paid as at the date of approval of these financial statements.

On 23 May 2024, the Company entered into a securities purchase agreement (the "Purchase Agreement") with purchasers named therein (the "Investors"). Pursuant to the Purchase Agreement, the Company sold 6,764,705 ADSs, representing the same number of ordinary shares, nominal value £0.01 per share, and 19,169,001 non-voting ordinary shares, nominal value £0.01 per share, each at a purchase price equal to \$21.42 per share (the "Private Placement"). The Company completed the Private Placement on 28 May 2024. The transaction resulted in gross proceeds to the Company of \$555.5 million, and after deducting commissions and offering expenses of \$11.4 million, net proceeds to the Company of \$544.1 million.

The non-voting ordinary shares have the same rights and restrictions as ordinary shares and otherwise rank *pari passu* in all respects with the ordinary shares except for the following:

- a holder of non-voting ordinary shares shall, in relation to the non-voting ordinary shares held, have no right to receive notice of, or to attend or vote at, any general meeting of shares save in relation to a variation of class rights of the non-voting ordinary shares;
- a non-voting ordinary shares shall be re-designated as an ordinary share upon the Company's receipt of a re-designation notice and otherwise subject to the terms and conditions set out in the terms of issue. A holder of non-voting ordinary shares shall not be entitled to have any non-voting ordinary shares re-designated as ordinary shares where such re-designation would result in such holder thereof beneficially owning (for purposes of section 13(d) of the Exchange Act), when aggregated with "affiliates" and "group" members with whom such holder is required to aggregate beneficial ownership for purposes of section 13(d) of the Exchange Act, in excess of 9.99% of any class of the Company's securities registered under the Exchange Act (which percentage may be increased or decreased on a holder-by-holder basis subject to the provisions set out in the terms of issue); and
- a non-voting ordinary share shall be re-designated as an ordinary share automatically upon transfer of such non-voting ordinary share by its holder to any person that is not an "affiliate" or "group" member with whom such holder is required to aggregate beneficial ownership for purposes of section 13(d) of the Exchange Act.

During the year ended 31 December 2025 the Company issued 10,116 ADSs (2024: 554,596) following the exercise of share options and 296,362 ADSs (2024: 141,350) following the settlement of RSUs (note 11).

Nature and purpose of reserves

Share premium

The share premium account represents the premium arising on the issue of shares net of issue costs.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

18 Called up share capital and reserves (continued)

Exchange reserve

The exchange reserve comprises all foreign currency differences arising from the translation of the financial statements.

General reserve

The general reserve represents the value of share-based payments granted to employees of the Company.

Other reserve

The other reserve primarily represents foreign exchange movements on certain amounts due from group undertakings that form part of a net investment in a foreign operation.

(Accumulated losses)/retained earnings

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

19 Notes to the consolidated cash flow statement

	2025	2024
	\$'000	\$'000
Loss for the financial year	(156,192)	(182,697)
Tax on loss	(33,787)	(43,853)
Interest receivable and similar income	(28,279)	(34,770)
Interest payable and similar charges	206	2,684
Operating loss	(218,052)	(258,636)
Amortisation of intangible assets	13	45
Depreciation of tangible fixed assets	6,409	6,670
Equity settled share-based payment	33,328	36,519
Loss on disposal of tangible fixed assets	—	479
Working capital movements:		
Increase in debtors	(8,744)	(654)
Decrease in creditors	(74,621)	(20,379)
Net exchange differences	(56,058)	8,679
Cash flow from operating activities	(317,725)	(227,277)

The following presents a reconciliation of the amounts shown on the Company's consolidated statement of cash flows to the amounts shown in the Company's consolidated balance sheet:

	2025	2024
	\$'000	\$'000
Cash at bank and in hand	263,888	214,591
Cash equivalents	364,222	664,929
Cash and cash equivalents	628,110	879,520

The Directors have identified that cash at bank and in hand as shown in the Company's balance sheet in the prior year included \$664.9 million of cash equivalents, representing money market funds, which have been presented as cash equivalents in these financial statements. The correction in presentation has no impact on loss, cash flows or opening reserves for the year.

Following the change in functional currency of the Parent Company in 2019 the intercompany balances with the U.K. subsidiaries were designated as denominated in U.S. dollars which are not intended to be repaid as such foreign exchange difference on these loans are reflected as non-cash net exchange differences. The following illustrates the Company's changes in net debt for the year ended 31 December 2025:

	At		Fair value and		At
	1 January 2025	Cash flows	exchange movements	31 December 2025	
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash at bank and in hand	214,591	48,008	1,289	263,888	
Cash equivalents	664,929	(300,707)	—	364,222	
Cash and cash equivalents	879,520	(252,699)	1,289	628,110	
Finance leases	(992)	168	(50)	(874)	
Total	878,528	(252,531)	1,239	627,236	

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

20 Pensions

The Company operated a defined contribution pension scheme for its U.K. executive directors and employees.

The Company has established a defined-contribution savings plan under Section 401(k) for its U.S. employees.

The amount recognised as an expense for the defined contribution schemes of the Company for the year was \$5,087k (2024: \$3,967k) and the amount outstanding at the 31 December 2025 was \$Nil (31 December 2024: \$Nil). The Parent Company has no employees other than the directors and does not operate a pension plan.

21 Financial instruments

The carrying amounts of the Company's financial instruments are as follows:

	31 December 2025 \$'000	31 December 2024 \$'000
<i>Financial assets measured at amortised cost</i>		
Debtors		
Other debtors	1,847	3,171
	1,847	3,171
Cash at bank and in hand	263,888	214,591
Cash equivalents	364,222	664,929
Cash and cash equivalents	628,110	879,520
<i>Financial liabilities measured at amortised cost</i>		
Creditors		
Trade creditors	9,669	15,793
Finance leases	874	992
Accruals	40,760	38,520
	51,303	55,305

The income, expenses, net gains and net losses attributable the Company's consolidated financial instruments are summarised as follows:

	2025 \$'000	2024 \$'000
Income and (expense)		
Financial assets measured at amortised cost	28,279	34,109
Financial liabilities measured at amortised cost	(206)	(2,023)
	28,073	32,086

There were no net gains or net losses for financial assets measured at amortised cost for the years ended 31 December 2025 and 31 December 2024. The total interest income and interest expense for financial assets and financial liabilities that are not measured at fair value through profit or loss was \$28,279k (year ended 31 December 2024: \$34,109k) and \$206k (year ended 31 December 2024: \$1,730k), respectively. In addition, the Company recognised a loss on the derecognition of the financial liability associated with the Loan Agreement of \$954k during the year ended 31 December 2024 and a gain on the derecognition of the financial liability associated with the agreement with Cancer Research UK (see note 22) of approximately \$661k during the year ended 31 December 2024.

Cash and cash equivalents, trade and other creditors and trade and other debtors with remaining life of less than one year, the notional amount is deemed to reflect fair value.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

21 Financial instruments (continued)

The carrying amounts of the Parent Company's financial instruments are as follows:

	31 December 2025 \$'000	31 December 2024 \$'000
<i>Financial assets measured at amortised cost</i>		
Debtors		
Other debtors	1,430	2,880
Amounts owed by group undertakings, net	128,583	533,110
	<u>130,013</u>	<u>535,990</u>
Cash at bank and in hand	233,509	171,580
Cash equivalents	195,651	616,616
Cash and cash equivalents	<u>429,160</u>	<u>788,196</u>

The income, expenses, net gains and net losses attributable the Parent Company's financial instruments are summarised as follows:

	2025 \$'000	2024 \$'000
Income and (expense)		
Financial assets measured at amortised cost	(765,093)	23,117
Financial liabilities measured at amortised cost	—	(2,538)
	<u>(765,093)</u>	<u>20,579</u>

The total interest income and interest expense for financial assets and financial liabilities that are not measured at fair value through profit or loss was \$25,059k (2024: \$31,517k) and \$Nil (2024: \$1,584k), respectively. During the year ended 31 December 2025, the Parent Company also concluded that the amounts owed by group undertakings are no longer recoverable (see note 4) and recognised an impairment loss of \$790,152k (2024: \$8,400k). In addition, the Parent Company recognised a loss on the derecognition of the financial liability associated with the Loan Agreement of \$954k during the year ended 31 December 2024.

The Company and Parent Company had no financial instruments subject to interest rate benchmark reform (31 December 2024: \$Nil).

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

22 Financial commitments and contingencies

At 31 December 2025 and 2024, the Company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 31 December 2025 \$'000	Land and buildings 31 December 2024 \$'000
Within one year	3,463	5,818
Between one and five years	13,836	4,146
More than five years	2,515	—
Total	19,814	9,964

At 31 December 2025 and 2024, the Company had annual commitments under finance leases as follows:

	Property and equipment 31 December 2025 \$'000	Property and equipment 31 December 2024 \$'000
Within one year	274	256
Between one and five years	754	960
Total	1,028	1,216

There were contracted capital commitments of \$824k at 31 December 2025 (31 December 2024: \$325k).

The Company has entered into various agreements with contract research organisations and contract manufacturing organisations. These payments are not included in the commitments table above since the contracts are generally cancellable at any time upon less than 90 days' prior written notice. The Company is not contractually able to terminate for convenience and avoid any and all future obligations to these vendors. Under such agreements, the Company is contractually obligated to make certain minimum payments to the vendors, with the payments in the event of a termination with less than 90 days' notice based on the timing of the termination and the exact terms of the agreement.

Operating Leases

In January 2023, the Company entered into a lease agreement for office and laboratory space in Cambridge, Massachusetts. The lease has a contractual period of approximately three years, expiring in March 2026.

In December 2021 the Company entered into a lease for new premises at Blocks A&B, The Portway Building, Granta Park, Great Abington, Cambridge, United Kingdom CB21 6GS. The lease has a contractual period of 10 years, but could be cancelled by the Company after 5 years. In December 2025, the Company entered into a deed of variation to the lease agreement, pursuant to which the Company elected not to cancel the lease on the fifth anniversary of the lease commencement date.

Additionally, the Company continues to have a lease agreement for office and laboratory space in Lexington, Massachusetts, which expires on 31 December 2027.

During 2025, the amount charged to the consolidated statement of comprehensive income in respect of operating leases was \$4,730k (2024: \$4,651k). The Parent Company had no annual commitments under non-cancellable operating leases.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

22 Financial commitments and contingencies (continued)

Finance leases

From time to time, the Company may enter into finance lease agreements for property and equipment. During 2025, the amount charged to the consolidated statement of comprehensive income in respect of finance leases was \$302k (2024: \$76k), including \$217k (2024: \$53k) of depreciation on the finance lease assets and \$85k (2024: \$23k) of interest expense.

Cancer Research UK Agreement

In connection with an agreement with Cancer Research UK to sponsor and fund the Phase I/IIa clinical trial of BT1718, the Company granted Cancer Research UK a licence to its intellectual property in order to design, prepare for, sponsor, and carry out the clinical trial. Upon the completion of the Phase I/IIa clinical trial, the Company had the right to obtain a licence to the results of the trial upon the payment of a milestone, in cash and ordinary shares, with a combined value in the mid six digit dollar amount. If such licence was not acquired, or if it was acquired and the licence was terminated and the Company decided to abandon development of all products that delivery cytotoxic payloads to the MT1 target antigen, CRTL could elect to receive an assignment and exclusive licence to develop and commercialise the product on a revenue sharing basis (in which case the Company would receive tiered royalties of 70% to 90% of the net revenue depending on the stage of development when the licence was granted). The Cancer Research UK agreement contained additional future milestone payments upon the achievement of development and regulatory milestones, payable in cash and shares, with an aggregate total value of \$50.9 million, as well as royalty payments based on a single digit percentage on net sales of products developed. Cancer Research UK could terminate the arrangement for safety reasons or if it was determined that the objectives of the clinical trial would not be met and either party could terminate the arrangement upon an insolvency event, material breach of the terms of the contract, or upon a change in control (and the new controlling entity develops, sells or manufactures tobacco products or generates the majority of its profits from tobacco products or is an affiliate of such party). The Company was required to reimburse Cancer Research UK for certain costs upon specified termination events.

The Company concluded that the right within the agreement with Cancer Research UK to obtain a licence to the results of the trial upon payment of a milestone represented a financial liability.

In December 2024, the Company, CRTL and Cancer Research UK entered into an agreement pursuant to which (i) the Company did not exercise its option to obtain a licence to the results of the clinical trial, (ii) CRTL did not elect to receive an assignment and exclusive licence to develop and commercialise the product, (iii) the agreement with Cancer Research UK would expire in December 2024, and (iv) all rights and obligations (other than certain surviving provisions as outlined in the agreement) under the agreement with Cancer Research UK expired and terminated. The Company agreed to pay to CRTL an upfront payment of £50,000 and will also pay to CRTL specified royalty and other payments at percentages in the very low to low single digits related to specified products targeting the MT1 target antigen. As all rights and obligations, including the Company's payment obligations, under the agreement with Cancer Research UK expired and terminated, the Company concluded that the financial liability associated with the agreement should be derecognised as the Company has been discharged of its obligation. As such, the Company recognised a gain on the derecognition of the financial liability of \$661k during the year ended 31 December 2024. No financial liability was recorded as of either 31 December 2025 or 2024.

Legal proceedings

From time to time, the Company or its subsidiaries may become involved in various legal proceedings and claims, either asserted or unasserted, which arise in the ordinary course of business. The Company is currently not subject to any material legal proceedings.

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

22 Financial commitments and contingencies (continued)

Indemnification obligations

In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, business partners and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements or from intellectual property infringement claims made by third parties. In addition, the Company has indemnification obligations towards members of its board of directors and officers that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. In addition, the Company has agreed to indemnify certain investors in limited circumstances. The maximum potential amount of future payments the Company could be required to make under these indemnification arrangements is, in many cases, unlimited. To date, the Company has not incurred any material costs as a result of such indemnification obligations. The Company is not aware of any claims under indemnification arrangements, and therefore it has not accrued any liabilities related to such obligations in its consolidated financial statements as of 31 December 2025 and 2024.

23 Basic and diluted loss per ordinary share

Basic and diluted loss per ordinary share is determined by dividing net loss by the weighted average number of ordinary shares, which includes both ordinary shares and non-voting ordinary shares outstanding during the period, and was calculated as follows:

	2025	2024
Numerator:		
Loss for the financial year (\$'000)	(156,192)	(182,697)
Denominator:		
Weighted average number of ordinary shares (Number)	69,279,838	58,207,593
Basic and diluted loss per ordinary share (\$)	(2.25)	(3.14)

The Company excluded the following potentially dilutive ordinary shares, presented based on amounts outstanding at each period end, from the computation of diluted net loss per share for the periods indicated because including them would have had an anti-dilutive effect:

	Number 31 December 2025	Number 31 December 2024
Restricted share units	1,644,421	716,262
Options to purchase ordinary shares	9,803,106	8,748,726
	11,447,527	9,464,988

24 Related party disclosures

The Company has taken advantage of the exemptions contained within FRS 102 paragraph 33.1A not to disclose transactions with wholly owned group undertakings.

The investors in the Private Placement included certain entities affiliated with Baker Bros. Advisors LP (the “Baker Entities”), an entity which may be deemed a beneficial owner of greater than 10% of the Company’s voting securities. Felix J. Baker, one of the Company’s directors, is a managing member of Baker Bros. Advisors (GP) LLC, the sole general partner of Baker Bros. Advisors LP. In the private placement, the Baker Entities purchased an aggregate of 17,114,846 non-voting ordinary shares, nominal value £0.01 per share, for an aggregate purchase price of \$366.6 million. The Private Placement was approved in accordance with the Company’s related person transaction policy by the Company’s Related Parties Committee. See note 22 for additional information on indemnities provided to certain investors.

Pierre Legault, a former director of the Parent Company, is associated with Stone Atlanta Estates LLC which provided consultancy services to the Company totalling \$101k for the year ended 31 December 2025 (2024:

Bicycle Therapeutics plc
year ended 31 December 2025

Notes to the financial statements (continued)

24 Related party disclosures (continued)

\$342k) for the period up to the date of his resignation on 17 June 2025. The amount outstanding at the year-end was \$Nil (2024: \$Nil).

Key management personnel include the CEO and a number of senior managers across the Company who together have authority and responsibility for planning, directing and controlling the activities of the Company. Refer to page 10 of the strategic report for an explanation of the individuals included in key management for 2025 and 2024.

The total compensation paid to key management personnel for services provided to the Company was \$9,782k (2024: \$10,810k). In addition, key management personnel received an aggregate gain on the exercise of share options (based on the market value of the shares on the date of exercise) of \$Nil (2024: \$Nil).

There are no guarantees or amounts secured in any related party transactions.

25 Impact of climate change

The Company has assessed the qualitative and quantitative impact of climate related risks on asset recoverable amounts and concluded that there are no material impairments.

26 Post balance sheet events

In March 2026, the Company announced the strategic reprioritisation of its clinical portfolio to focus on its promising pipeline of next-generation therapeutics, including nuzefatide pevedotin as well as next-generation Bicycle conjugates, including BRC molecules. In conjunction with its strategic reprioritisation, the Company is implementing a proposed workforce reduction. The Company expects the workforce reduction to be substantially completed by the end of 2026 and to recognise aggregate charges for severance and other employee termination benefits of approximately \$8.0 million.

In April 2026, the Parent Company completed an assessment, inclusive of external legal advice, of the treatment of deemed distributions for tax losses historically surrendered to it by BicycleTx Limited and BicycleRD Limited as group relief for nil value. For certain tax losses surrendered to the Parent Company from BicycleTx Limited and BicycleRD Limited from 2018 to 2025, neither BicycleTx Limited nor BicycleRD Limited had sufficient distributable reserves when the distributions were made, and as such the Parent Company concluded that such distributions were out of compliance with the Companies Act. As a remedial action, the Parent Company shall enter into certain intercompany arrangements with both BicycleTx Limited and BicycleRD Limited in 2026 pursuant to which the Parent Company shall pay, in aggregate to BicycleTx Limited and BicycleRD Limited, \$16,919k, representing the fair value of the tax losses surrendered.