Registered Number 09115837 (England & Wales)

Annual Report and Accounts

for the year ended 31 December 2020

for

Autolus Limited

AUTOLUS LIMITED

Introduction and Contents

Autolus Limited is a limited company incorporated under the laws of England and Wales with a registration number of 09115837.

On 23 July 2019, the Company changed its accounting reference date from 30 September to 31 December, thereby extending the reporting period by three months. Due to this change in the prior financial year, this Annual Report and financial statements covers a 12 -month period beginning on 1 January 2020 and ending on 31 December 2020, with a comparative period of 15 months, beginning on 1 October 2018 and ending on 31 December 2019.

AUTOLUS LIMITED

Company Information

Directors	Christian Itin, Dominic Moreland Matthias Alder
Secretary	Olswang Cosec Limited
Registered Office	Forest House 58 Wood Lane London W12 7RZ United Kingdom
Registered Number	09115837
Auditors	Ernst & Young LLP Apex Plaza Forbury Road Reading RG1 1YE United Kingdom
Bankers	Barclays Bank 1 Church Street Peterborough PE1 1XE United Kingdom
Solicitors	Cooley (UK) LLP Dashwood 69 Old Broad Street London EC2M 1QS United Kingdom

Strategic Review Note
The Directors present their strategic report on the affairs of Autolus Limited (the "Company"), together with the financial statements for the year ended 31 December 2020.

Principal Activity
The Company's principal activity continues to be focused on developing next generation programmed T cell therapies for the treatment of cancer. Using our broad suite of proprietary and modular T cell programming technologies, we are engineering precisely targeted, controlled and highly active T cell therapies that are designed to better recognize cancer cells, break down their defence mechanisms and eliminate these cells. We believe our programmed T cell therapies have the potential to be best-in-class and offer cancer patients substantial benefits over the existing standard of care, including the potential for cure in some patients.

Cancers thrive on their ability to fend off T cells by evading recognition by T cells and by establishing other defence mechanisms, such as checkpoint inhibition and creating a hostile microenvironment. Our next-generation T cell programming technologies allow us to tailor our therapies to address the specific cancer we are targeting and introduce new programming modules into a patient's T cells to give those T cells improved properties to better recognize cancer cells and overcome fundamental cancer defence mechanisms. We believe our leadership in T cell programming technologies will provide us with a competitive advantage as we look to develop future generations of T cell therapies targeting both haematological cancers and solid tumours.

Our clinical-stage pipeline comprises four programs being developed in five haematological and solid tumour indications. These clinical programs are adaptive and designed to allow collection of sufficient data in the expansion phase of the trials to potentially support registration. We have worldwide commercial rights to all of our programmed T cell therapies.

General Business Review
On 23 July 2019, the Company changed its accounting reference date from 30 September to 31 December. Due to this change in the previous financial year end, this Annual report and accounts covers a 12-month period beginning on 1 January 2020 and ending on 31 December 2020 with a comparative period of 15-months beginning on 1 October 2018 and ending on 31 December 2019.

During the year, the Company invested in multiple research activities and has built on last year's success in manufacturing and pre-clinical work on several projects. Our current clinical-stage programs are:

AUTO1: A CD19-targeting programmed T cell investigational therapy with a CD19 binder designed to improve the efficacy and safety profile, as compared to other CD19 CAR T therapies. In December 2020, we announced updated data that supports AUTO1's anti-leukaemia activity in the absence of severe cytokine release syndrome, or CRS, in ALLCAR19, an ongoing Phase 1 clinical trial in adult patients with relapsed or refractory acute B lymphocytic leukaemia, or Adult ALL. Data presented showed AUTO1 was well tolerated, despite patients having high disease burden and being heavily pre-treated. High level of sustained complete response rate, or CR, were achieved without need for subsequent stem cell transplant and durability of remissions was highly encouraging. We initiated a Phase 1b/2 clinical trial of AUTO1 for the treatment of adult ALL in 2020. This trial may potentially be a registrational trial. In addition, we are exploring activity for AUTO1 in other B-Cell malignancies. The AUTO1 ALLCAR19 Phase 1 trial has been extended in B cell lymphomas including indolent NHL, or iNHL, and chronic lymphocytic leukaemia, or CLL. We presented initial data from four patients with iNHL at the 2020 Annual Meeting of the American Society of Haematology, or ASH. Furthermore, AUTO1 will be investigated in primary CNS lymphoma, or PCNSL, in collaboration with our academic partner University College London, or UCL, in an exploratory Phase 1 clinical trial called CAROUSEL, expected to start in the first quarter of 2021. We expect to provide updates from these additional studies in 2021. Furthermore, we may pursue a paediatric label through an investigational program in paediatric ALL.

AUTO 1/22: We commenced a Phase 1 clinical trial in paediatric patients with relapsed or refractory ALL with our next-generation product candidate, AUTO1/22, (previously designated AUTO1NG) in the fourth quarter of 2020. AUTO1/22 is a dual-targeting CAR-T which builds on the AUTO1 approach utilizing the same CD19 CAR,

alongside a novel CD22 CAR designed to reduce antigen negative relapse of disease. We expect to report initial data from this trial in the fourth quarter of 2021.

AUTO3: The first dual-targeting, bicistronic, or having two chimeric antigen receptors within one vector, programmed T cell investigational therapy for the treatment of relapsed or refractory diffuse large B-cell lymphoma, or r/r DLBCL, independently targeting B-lymphocyte antigens CD19 and CD22.

DLBCL (ALEXANDER Trial): We initiated a Phase 1/2 clinical trial of AUTO3 in DLBCL in the third quarter of 2017 and reported initial data from the dose-escalation phase of the trial in the fourth quarter of 2018. Since then, we have periodically reported updated safety and efficacy results indicating that AUTO3 was generally well tolerated. Data presented in December 2020 from the cohort of patients receiving the recommended Phase 2 dose (doses of greater than or equal to 150 x 106 CAR T cells) and pre-conditioning pembrolizumab on day minus 1, showed an objective response rate, or ORR, of 66% and CR rate, of 55%. For all patients on study, across all dose levels, that were evaluable in the trial (n = 49), the ORR was 65% and CR rate was 51%. As of the data cut-off date of October 30, 2020, 49 patients in the Phase 1/2 clinical trial of AUTO3 have been treated and were evaluable for safety. Across all 49 patients, only three cases of neurotoxicity, or NT, have been reported, with two patients experiencing Grade 3 or higher NT. None of the patients achieving a CR experienced any NT and all cases of NT reported have been atypical in nature and seen in a setting with disease progression and confounding factors. A majority of patients receiving AUTO3 in the outpatient setting did not require hospital admission. Those patients admitted were managed without requiring ICU care. In January 2021, we announced our intent to seek a partner for the AUTO3 program before progressing the program into the next phase of development.

AUTO4: A programmed T cell investigational therapy for the treatment of peripheral T-cell lymphoma targeting TRBC1. Unique targeting of TRBC1 potentially opens a new therapeutic approach. The preclinical study package suggested selective binding and anti-tumor activity of TRBC1 and TRBC2 CARs in vitro and in vivo. We initiated a Phase 1/2 clinical trial in the fourth quarter of 2018 and we expect to report Phase 1 interim data in 2021.

AUTO6: A programmed T cell investigational therapy targeting GD2 in development for the treatment of neuroblastoma utilizing a new binder designed to minimize on-target, off-tumor toxicity, humanized to reduce immunogenicity, including RQR8 safety switch. Findings from a Phase 1 clinical trial with AUTO6 were published in November 2020 and provide evidence that AUTO6 induces clinical activity in this solid tumor setting without inducing on-target off-tumor toxicity. We are developing a next-generation product candidate, which we refer to as AUTO6NG, which builds on this approach utilizing the same GD2 CAR alongside additional programming modules to enhance the activity and persistence. In June 2020, we presented preclinical data of AUTO6NG, including data from a tumor model in small cell lung cancer indicating that GD2 is an attractive target for programmed T cell therapies in that indication. We expect to initiate a Phase 1/2 clinical trial of AUTO6NG in 2021.

The team that has been built to support these rapid advances encompasses leading representatives from the fields of scientific research, translational development, specialist manufacturing, clinical operations and business development.

At the year end the Company held cash reserves of £109.4 million.

Business Update: COVID-19 Response, Program Prioritization and Corporate Adjustments

With the global spread of the ongoing coronavirus 2019, or COVID-19, pandemic, we established a cross-functional task force and have implemented business continuity plans designed to address and mitigate its impact on our employees and business. While we have not experienced any significant financial impact to date, the overall disruption caused by the COVID-19 pandemic on global healthcare systems, and the other risks and uncertainties associated with the pandemic, could cause our business, financial condition, results of operations and growth prospects to be materially adversely affected.

In March 2020, our global workforce transitioned to working remotely with the exception of clinical trial related activities that required laboratory-based activity or manufacturing. We implemented protocols and procedures to ensure the safety of our employees working on site, including requirement to wear personal

protective equipment, temperature checks at entry and offered COVID-19 testing for any employee with symptoms or at suspected risk of exposure to virus. In June 2020, we began the implementation of our workplace re-entry plan, based on a phased approach that is principles-based and local in design, with a focus on continuity of patient treatment and working to bring its workforce back on-site safely. We have also implemented policies to control and limit office and lab access in line with social distancing guidelines and for contact tracing if needed.

We continue to track COVID-19 developments in Europe and the United States closely for their potential impact on our clinical trial sites, logistics and supply chain to ensure we can continue to maintain clinical trial conduct and data integrity. As the patients in our clinical trials are severely immune suppressed as a consequence of their underlying disease and the treatment they receive in the trials, we are also monitoring other transmissible infectious diseases, including influenza.

In January 2021, we announced the prioritization of the AUTO1 program and our intention to seek a partner for the AUTO3 program before progressing AUTO3 into its next phase of development. We also announced an adjustment of our workforce and infrastructure footprint during the first quarter of 2021, which will involve an overall reduction in headcount of approximately 20%.

Principal Risks and Uncertainties

We are a clinical-stage biopharmaceutical company with a limited operating history, and we have incurred significant net losses since our inception in 2014. We have incurred losses of £113.9 million for the 12 months ended 31 December 2020 and £113.3 million for the 15-month period ended December 31, 2019. As of 31 December 2020, and 31 December 2019, we had a retained losses of £149.0 million and £35.1 million respectively. We have funded our operations to date primarily with proceeds from the sale of the equity securities of our ultimate parent company, Autolus Therapeutics plc.

We have no products approved for commercial sale, have not generated any product revenue, and are devoting substantially all of our financial resources and efforts to research and development of our programmed T cell product candidates as well as to building out our manufacturing infrastructure, T cell programming technologies and management team. Investment in biopharmaceutical product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product candidate will fail to demonstrate adequate effect or an acceptable safety profile, gain regulatory approval and become commercially viable.

We expect that it will take at least several years until any of our product candidates receive marketing approval and are commercialised, and we may never be successful in obtaining marketing approval and commercialising product candidates. We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future. These net losses will adversely impact our shareholders' equity and net assets and may fluctuate significantly from quarter to quarter and year to year. We anticipate that our expenses will increase substantially as we:

- continue our ongoing and planned research and development of our current programmed T cell product candidates for the treatment of haematological cancers and solid tumours;
- initiate preclinical studies and clinical trials for any additional product candidates that we may pursue in the future, including our planned development of additional T cell therapies for the treatment of haematological cancers and solid tumours;
- seek to discover and develop additional product candidates and further expand our clinical product pipeline;
- seek regulatory approvals for any product candidates that successfully complete clinical trials;
- continue to scale up internal and external manufacturing capacity with the aim of securing sufficient quantities to meet our capacity requirements for clinical trials and potential commercialisation;
- establish sales, marketing and distribution infrastructure to commercialise any product candidate for which we may obtain regulatory approval;
- make required milestone and royalty payments to UCL Business plc, or UCLB, the technology-transfer company of University College London, or UCL, or other third parties, under license agreements pursuant to which we were granted some of our intellectual property rights;

- develop, maintain, expand and protect our intellectual property portfolio;
- acquire or in-license other product candidates and technologies;
- hire additional clinical, quality control and manufacturing personnel;
- add clinical, operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialisation efforts;
- expand our operations in the UK, United States, Europe and other geographies; and
- incur additional legal, accounting and other expenses associated with operating as a public company.

To become and remain profitable, we must succeed in developing and eventually commercialising products that generate significant revenue. This will require us to be successful in a range of challenging activities, including completing preclinical studies and clinical trials of our product candidates, obtaining regulatory approval, manufacturing, marketing and selling any products for which we may obtain regulatory approval, as well as discovering and developing additional product candidates. We may never succeed in these activities and, even if we do, may never generate revenues that are significant enough to achieve profitability.

Because of the numerous risks and uncertainties associated with the development, manufacturing, delivery and commercialisation of complex autologous cell therapies, we are unable to accurately predict the timing or amount of expenses or when, or if, we will be able to achieve profitability. If we are required by regulatory authorities to perform studies in addition to those currently expected, or if there are any delays in the initiation and completion of our clinical trials or the development of any of our product candidates, our expenses could increase and profitability could be further delayed.

We expect to continue to incur significant expenses for the foreseeable future as we advance our product candidates through preclinical and clinical development, seek regulatory approval and pursue commercialization of any approved product candidates. In addition, if we obtain marketing approval for any of our product candidates, we expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. In addition, we may incur expenses in connection with the in-license or acquisition of additional product candidates.

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 will need further funding from our parent company, Autolus Therapeutics plc, in order to finance our operations. Autolus Therapeutics plc expects to obtain this finance through the sale of equity, debt financings or other capital sources, including potential collaborations with other companies or other strategic transactions. They may be unable to raise additional funds or enter into such other agreements or arrangements when needed on favourable terms, or at all. If they fail to raise capital or enter into such agreements as, and when, needed, the Company may have to significantly delay, scale back or discontinue the development and commercialization of one or more of our drug candidates or delay our pursuit of potential in-licenses or acquisitions.

Although we are based in the United Kingdom, we source research and development, manufacturing, consulting and other services from the United States and other countries. Further, potential future revenue may be derived from the United States, countries within the euro zone, and various other countries around the world. As a result, our business may be affected by fluctuations in foreign exchange rates not only between the pound sterling and the U.S. dollar, but also the euro and other currencies, which may have a significant impact on our results of operations and cash flows from period to period. As a result, to the extent we continue our expansion on a global basis, we expect that increasing portions of our revenue, cost of revenue, assets and liabilities will be subject to fluctuations in currency valuations. We may experience economic loss and a negative impact on earnings or net assets solely as a result of currency exchange rate fluctuations.

Corporate governance; Section 172(1) Statement
Section 172 of the Companies Act 2006 requires directors to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of shareholders as a whole, with 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 towards all shareholders of the Company.

Our directors are advised and updated on their responsibilities under Section 172 by our Company Secretary and our external legal advisors, each of whom regularly attend meetings of the Board. The Board is responsible for the Company's corporate governance policies and recognises the importance of this in sustaining and growing the business. The Board is committed to listening to and communicating openly with our shareholders to ensure our strategy and performance are clearly understood. Understanding what investors and analysts think about us and helping them to understand our business is a key part of driving our business forward. We engage with our shareholders through quarterly earnings calls and our Annual General Meeting, as well as through private meetings with institutional holders. Shareholders are encouraged to provide feedback on the Company's strategy, governance and implementation. Shareholder opinions are regularly taken into consideration by the Company's directors.

Our directors provide strategic insight and guidance regarding key corporate decisions, taking into account the factors described above. Everything we do in the Company, from the break room to the boardroom, is informed by our Autolus values, described in the section below entitled "Employee engagement culture and values". *These core principles—Focus, Respect, Integrity and Breakthrough—inform and support our directors* as they provide guidance and oversight to our efforts to bring innovative, safe and effective therapies to cancer patients.

Throughout the year, our directors embodied these key values in the performance of their duties, by considering the interests of a range of stakeholders and tailoring their recommendations accordingly. For example, in connection with our January 2020 financing, the Board and its pricing committee evaluated, amongst other matters, the dilutive effects of the sale on existing shareholders and the additional patients whose participation in clinical trials would be enabled by the incoming funds. When assessing our facility needs — including our expanding footprint in the Stevenage, UK area—the directors considered input from our interactions with local government officials, representing one of the communities where we operate, and employees.

The section below, entitled "Engagement with suppliers, customers and others," provides additional information on our directors' consideration of those stakeholders.

Environmental matters
The Company leases all its facilities, manufactures its own products for clinical studies, and stores finished goods. The Company also complies with all applicable environmental laws and regulations. We take positive steps to reduce our carbon footprint, where possible, and make efforts to be a responsible member of the communities in which we work.

Building a healthy, high performing organisation
During late 2019, Autolus established the foundational elements for supporting a high performing organisation including the launch of the Autolus purpose and values, This, alongside learning and development programs, reached over 200 Autolus employees. During 2020, given the impact of COVID-19, and the need to extend support to all employees, we immediately pivoted to online interactive delivery of training and other support programs. Key highlights for 2020 include:

- Delivery of 72 one-hour webinars, covering 20 topics and with over 550 attendances;
- Delivery of a series of group coaching sessions helping staff take control of the impact of COVID on work/life balance;
- Multiple team development programs;
- Introduction of a coaching framework and delivery of 8 one-to-one individual coaching assignments;
- *Coaching and facilitation of the AUTO1 task force & vector team to help achievement of business* objectives and project team goals;

- Deployment of a COVID-19 employee survey in June 2020 to assess personal and professional impact and how the company could further support their staff;
- Facilitation of the definition of organisation-wide KPIs for Autolus to manage performance; and
- Communication support to the deployment of Sharepoint across Autolus establishing a consistent work platform for all lines and project teams.

In 2021, building upon the above, we intend to extend the support we provide to employees in our ambition to build a healthy, high performing organisations. The pandemic has challenged personal resilience and we plan to focus on energising and fully engaging the organisation to support the achievement of our business objectives. Our commitment is to the development of each and every individual, our teams and the organisation as a whole:

- Individual Development: We plan to extend and enhance the Autolus webinar programme, informed by a Training Needs Analysis conducted in December 2020, and to increase the targeted use of online learning.
- Team Development: In March 2021 we launched our first Leadership Development & Management programme with plans to deliver at least 2 further progammes in the second half of the year. We have invested in resilience coaching and have already started delivering team resilience sessions using the Workplace Resilience & Well-being (WRAW) psychometric instrument.
- Organisation Development: In June 2021 we plan to conduct an organisation-wide resilience and well-being assessment to identify pressure points and hotspots where support may be needed. We plan to further embed and reinforce the Autolus values in all that we do and ensuring that all employees understand how Autolus functions and project teams work together to deliver value to our patients.

Diversity & Equality

Diversity and Inclusion is integral to our growth strategy and aligns with the Company's values of integrity and respect. The Company recognises that by valuing and promoting a culture of diversity and inclusion, it enables employees to contribute their unique perspectives and fully leverages their individual talents. This allows employees to fully engage in their work and helps generate the innovative thinking that is needed for the Company to fulfil its mission.

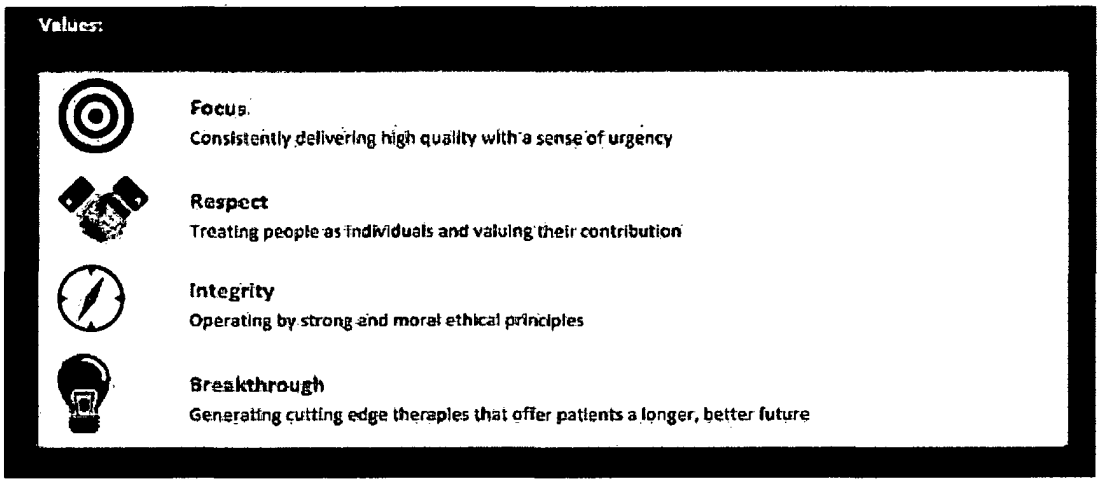
The Company strives to ensure that we offer a great place to work, grow and succeed. We recognise that to attract and retain talented colleagues we need to promote equal opportunity and a harmonious working environment. Our Diversity, Inclusion and Belonging employee resource group has reviewed and contributed to the Company-wide diversity, equality and dignity at work policy, and the company aims to enhance this culture by training and awareness in the principles of diversity and inclusion.

Aligned with our open and transparent culture comprised of diverse teams and reflective of the global community we continue to support our first employee-led networking group called Diverse Individuals Celebrating Equality (D.I.C.E.) and welcome other groups to form. Appointments within the Company are made on merit according to the balance of skills and experience offered by prospective candidates. Whilst acknowledging the benefits of diversity, individual appointments are made irrespective of personal characteristics such as race, disability, gender, sexual orientation, religion or age.

Employee engagement, culture and values
A strong internal communications programme has been launched and will continue to be developed to support and enhance employee engagement. This programme includes the following activities:

- Launch of company intranet
- Continued focus on CEO-led employee meetings for managers
- Lunch and learns
- All company meetings

Our Autolus values and purpose are embedded into our processes including talent acquisition, performance management and development activities.



The Company has set up various methods to positively engage with staff at all its locations, and employee surveys have been introduced across some areas of the business to look at ways of working and optimising team building. One such area that has been addressed regards employee recognition. During 2020 the framework and structure of an all employee recognition programme was agreed. The awards range from on the spot individual awards for consistent over performance to team awards when important project team KPIs are achieved. The programme launched in March 2021.

Talent Acquisition: delivering capability

Talent Acquisition
The primary focus for 2020 was on building our employee base in manufacturing operations and associated functions, namely quality and process development.

Early engagement with candidates was achieved through a direct sourcing strategy with 4 out of 5 hires being identified directly by our in-house function and with an average time to hire of 42 days, which is well below market averages. Notable hires included:

- Head of Process Development
- General Manager and Site Lead-Stevenage
- Global Head of Quality
- Stevenage Site Head of Validation
- Stevenage Site Head of Operational Excellence
- Head of Analytical Sciences
- Global Head of Sourcing and Procurement

Underpinning all of the above activities is a comprehensive employee benefits offering. The programmes are bespoke to each jurisdiction and based on market practice. Employees are offered participation in retirement plans as well as medical and life insurance. Levels of benefit are continually benchmarked to ensure they offer optimal value for money for both the organisation and our employees.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Engagement with suppliers, customers and others
In addition to ensuring engagement with our shareholders, the Company is committed to engaging with its other principal stakeholders: patients and their caregivers, employees and suppliers. All concerns or opinions

of these stakeholders are discussed at the Board and management level and by direct engagement with stakeholders themselves.

For example, our medical affairs strategy involves discussing the cancer treatment landscape with practitioners and other experts to forge a mutual understanding of how our product candidates could address unmet medical needs. We maintain a number of key, long-term relationships with our suppliers of equipment, manufacturing services and clinical trial support. These relationships with our suppliers are maintained as partnerships, in order to work effectively and efficiently. Our Directors receive regular updates regarding these mission-critical partnerships, and approve any material changes to them.

Every decision we make is taken with our stakeholders in mind and what is the best for the relationship in the long term. Opinions and feedback from these external stakeholders are encouraged, and are taken into consideration when discussing strategy and performance.

Brexit and the Regulatory Framework in the United Kingdom
On June 23, 2016, the electorate in the United Kingdom voted in favour of leaving the European Union (commonly referred to as "Brexit") and the United Kingdom officially withdrew from the European Union on January 31, 2020. Pursuant to the formal withdrawal arrangements agreed between the United Kingdom and the European Union, the United Kingdom was subject to a transition period until December 31, 2020, or the Transition Period, during which European Union rules continued to apply. A trade and cooperation agreement, or the Trade and Cooperation Agreement, that outlines the future trading relationship between the United Kingdom and the European Union was agreed in December 2020.

Brexit may influence the attractiveness of the United Kingdom as a place to conduct clinical trials. The European Union's regulatory environment for clinical trials is being harmonized as part of the Clinical Trial Regulations, which are due to enter into full effect at the end of 2021, but it is currently unclear as to what extent the United Kingdom will seek to align its regulations with the European Union. Failure of the United Kingdom to closely align its regulations with the EU may have an effect on the cost of conducting clinical trials in the United Kingdom as opposed to other countries and/or make it harder to seek a marketing authorization for our product candidates on the basis of clinical trials conducted in the United Kingdom.

In the short term there will be few changes to clinical trials that only have sites in the United Kingdom. The MHRA have confirmed that the sponsor of a clinical trial can be based in the EEA for an initial period following Brexit. Further investigational medicinal products can be supplied directly from the EU/EEA to a trial site in Great Britain without further oversight until 1 January 2022, and to Northern Ireland beyond such date. The United Kingdom is now a "third country" for the purpose of clinical trials that have sites in the EEA. For such trials the sponsor/legal representative must be based in the EEA, and the trial must be registered on the EU Clinical Trials Register (including data on sites outside of the EEA).

The data exclusivity periods in the United Kingdom are currently in line with those in the European Union, but the Trade and Cooperation Agreement provides that the periods for both data and market exclusivity are to be determined by domestic law, and so there could be divergence in the future. It is currently unclear whether the MHRA in the United Kingdom is sufficiently prepared to handle the increased volume of marketing authorization applications that it is likely to receive.

Liquidity Management
Cash funds within the business are managed through detailed budgeting and forecasting taking into consideration the need to fund operations, capital expenditure and working capital. The financial position of the business together with current forecasts are reviewed regularly by the board.

Approved by the Board and signed on its behalf by:

DocuSigned by:
Dominic Moreland
A98B0D048B7C4C8...

Dominic Moreland
Director

Date: 27 May 2021

Registered Office Forest House, 58 Wood Lane, London W12 7RZ, United Kingdom

Going Concern
As of 31 December 2020, the Company had cash and cash equivalents of £109.4 million. Based on our current clinical development plans, we believe our existing cash, along with the additional net proceeds of £89.5 million from sale of our ADSs under our at-the market facility program in January 2021 and our follow-on capital raise in February 2021 will be able to fund our current and planned operating expenses and capital expenditure requirements through at least the next 12 months from the date of this Annual Report. We have assessed the planned expenditure and expect our available cash to extend into the first half of 2023. The ultimate parent company, Autolus Therapeutics plc will continue to provide financial support to the Company for the foreseeable future.

Further, the Directors have conducted a full assessment of the impact of COVID-19 on the going concern status of the Company. As the Company is pre-revenue, the economic impact of the pandemic does not have an effect on the cash inflow or the cash reserves of the Company. It also does not negatively impact the cash outflows as the majority of the cost base is fixed cost and the cash burn fairly consistent on a month to month basis.

Company restructure
On 15th June 2018, the shareholders of Autolus Limited exchanged their shares for the same number and class of shares in Autolus Therapeutics Limited, thus making Autolus Limited a wholly owned subsidiary of Autolus Therapeutics Limited. On 15th June 2018, Autolus Therapeutics Limited transferred all of the shares of Autolus Limited to a sister subsidiary, Autolus Holdings (UK) Limited as consideration for the issuance of shares, thus making Autolus Limited a wholly owned subsidiary of Autolus Holdings (UK) Limited. Following this change in ownership, Autolus Limited reduced its issued share capital pursuant to Part 17 of the Companies Act by way of the cancellation of all of its issued series A preferred shares, C ordinary shares, deferred shares and all but 100 B ordinary shares. On June 22, 2018, the different classes of our issued share capital were converted into a single class of ordinary shares and various classes of deferred shares. This capital reduction released the share premium to retained earnings, creating distributable reserves for the Company.

The group reorganisation had the following effect on the financial statements of the Company:

- Through the share consolidation, cancelled various classes of shares to reduce share capital to £957.
- Through the capital reduction, reduced the share capital of the Company by £957 and cancelled share premium of £136.3 million, with a corresponding increase in retained earnings.
  Through the share reorganisation, the creation of ordinary share capital of £0.001 shares

The ultimate parent Company, Autolus Therapeutics plc completed an IPO on the Nasdaq Global Select Market. As a result of the IPO, the parent Company made a capital contribution of £117,485 million on 26 June 2018. Whilst the parent Company's American Depository Shares are traded under the symbol AUTL, our ordinary shares are not listed.

On 21 December 2020, as part of the final steps of the corporate reorganisation following the initial public offering of Autolus Therapeutics plc in June 2018, all the shares of Autolus Inc, an entity incorporated under the laws of Delaware in the United States and a wholly owned subsidiary of the Company, were distributed up to the Holdings Company, Autolus Holdings (UK) Limited, our only shareholder by approval of a dividend in specie by the board of directors. The share capital of Autolus Inc which was distributed as dividend in specie and was recorded at its book value of $10.00.

Future developments and events after the balance sheet date

In January 2021, the ultimate parent company Autolus Therapeutics plc, announced the prioritisation of the AUTO1 program and the Group's intention to seek a partner for the AUTO3 program before progressing AUTO3 into its next phase of development. It was also announced that an adjustment of our workforce and

infrastructure footprint will take place during the first quarter of 2021, which will involve an overall reduction in headcount of approximately 20%.

In January 2021, the ultimate parent company Autolus Therapeutics plc issued an aggregate of 1.7 million ADSs under an Open Market Sales Agreement, resulting in net proceeds of £11.3 million. This cash is held by Autolus Limited as this was a capital contribution from the parent company.

On 12 February 2021, the ultimate parent company Autolus Therapeutics plc completed an underwritten public offering of 14,285,715 ADSs, which includes the full exercise by the underwriters to purchase an additional 2,142,857 ADSs, at a public offering price of $7.00 per ADS. Aggregate net proceeds to the Company, after underwriting discounts, were £78.2 million. This cash is held by Autolus Limited as this was a capital contribution from the parent company.

On 29 March 2021, the Company announced that it now plans to establish global commercial launch capacity in the UK, enabling the company to leverage the expertise and skill base of its U.K. employees. This will be provided by a combination of the existing clinical trial manufacturing facility at The Cell and Gene Therapy Catapult (CGTC) facility and a new Autolus facility. This revised strategy aims to deliver a less capital-intensive commercial manufacturing infrastructure at a lower cost base. In conjunction with this new facilities strategy, the ultimate parent company, Autolus Therapeutics plc's lease for the manufacturing and office facility at 9950 Medical Center Drive in Rockville, MD, has been mutually terminated, triggering a cash payment to the Company and ending all of the Company's payment obligations under the lease.

Directors
The directors who served during the year were as follows:

Christian Martin Itin	Chairman & CEO
Matthias Alder	Chief Business Officer
Dominic Moreland	VP Finance

Directors' Indemnities
The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year through the Director and Officers Insurance and remain in force at the date of this report.

Political contributions
No political contributions were made by Autolus Limited in the financial year. (2019: £nil).

Auditor
Ernst and Young LLP have been reappointed as auditors for the current year.

Statement of Directors Responsibilities
The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the 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 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing directors' responsibilities may differ from legislation in other jurisdictions.

Directors' confirmations
Each of the persons who is a Director at the date of approval of this Annual Report and Accounts confirms that: so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and the Director has taken all the steps that he ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act.

Approved by the Board and signed on its behalf by:

DocuSigned by:
Dominic Moreland
A98B0D048B7C4C8...
Dominic Moreland

Date: 27 May 2021

Registered Office Forest House, 58 Wood Lane, London W12 7RZ, United Kingdom

Opinion

We have audited the financial statements of Autolus Limited for the year ended 31 December 2020 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity, and the related notes 1 to 17, including a summary of significant accounting policies The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the period to 30 June 2022, which is at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 14 and 15, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those relating to the reporting framework (FRS

101 and Companies Act 2006), the relevant direct and indirect tax compliance regulations, as well as relevant employment laws in the United Kingdom. In addition, the company has to comply with laws and regulations relating to its operations, in the areas of anti-bribery and corruption, data protection and health & safety.

- We understood how Autolus Limited is complying with those frameworks by making enquires of management and those responsible for legal and compliance procedures. We observed that there is a culture of honesty and ethical behaviour and that a strong emphasis is placed on fraud prevention. We corroborated our enquires through our review of Board minutes and papers provided to the Audit Committee of the parent company, Autolus Therapeutics plc.

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it considered there was susceptibility to fraud. We also considered performance targets and their propensity to influence efforts made by management to manage earnings or influence the perceptions of analysts. Where the risk was considered higher, we performed audit procedures including testing of manual journals which were designed to provide reasonable assurance that the financial statements were free from fraud and error.

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of company management and those charged with governance, legal counsel; and journal entry testing with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the company.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

David Hales (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Reading
Date: 27 May 2021

AUTOLUS LIMITED

Income Statement

for the 12 months ended 31 December 2020

	Note	12 months ended 2020 £'000	15 months ended 2019 £'000
Other operating income		2,013	2,665
Licence revenue		187	—
Administrative expenses		(20,186)	(29,939)
Research & development expenses		(112,976)	(103,536)
Impairment of leasehold improvements		—	(3,184)
Operating Loss	3	(130,962)	(133,994)
Finance income	5	415	7,030
Finance expense	5	(2,140)	(1,572)
Loss before taxation		(132,687)	(128,536)
Tax	8	18,819	15,215
Loss for the year		(113,868)	(113,321)

There was no other comprehensive income recognised in the year.

The notes on pages 22 to 38 are an integral part of these financial statements.

All the activities of the Company are classed as continuing.

AUTOLUS LIMITED
Balance Sheet
As at 31 December 2020

Registered Number 09115837 (England & Wales)

	Note	2020 £'000	2019 £'000
Non-current assets			
Intangible assets	9	10,756	10,673
Property, plant & equipment	10	25,108	18,306
Right-of-use assets	11	14,091	15,897
		49,955	44,876
Current assets			
Other receivables	12	33,632	29,675
Cash and cash equivalents	14	109,422	156,775
		143,054	186,450
Total assets		**193,009**	**231,326**
Non – current liabilities			
Lease liability – Non-Current	11	(14,666)	(17,379)
		(14,666)	(17,379)
Current liabilities			
Trade and other payables	13	(28,570)	(19,269)
Lease liability – Current	11	(2,359)	(1,328)
Net current assets		112,125	165,853
Net assets		**147,414**	**193,350**
Equity			
Share capital		—	—
Share Premium		—	—
Capital Contribution Reserve		286,752	218,820
Share based payment reserve		9,653	9,653
Retained (loss) / earnings		(148,991)	(35,123)
Equity attributable to owners of the company		**147,414**	**193,350**

The notes on pages 22 to 38 are an integral part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on [27] May 2021. They were signed on its behalf by

DocuSigned by:
Dominic Moreland
A98B0D048B7C4C6...
Dominic Moreland
Director

Date: 27 May 2021

Registered Office Forest House, 58 Wood Lane, London W12 7RZ, United Kingdom

AUTOLUS LIMITED

Statement of Changes in Equity

for the 12 months ended 31 December 2020

£'000	Note	Share Capital	Share Premium Account	Capital Contribution	Share Based Payment Reserve	Retained (Loss) / Earnings	Total
		£	£	£	£	£	£
Balance at 30 September 2018		–	–	117,485	9,653	78,198	205,336
Loss for the year		–	–	–	–	(113,321)	(113,321)
Capital Contribution from parent		–	–	101,335	–	–	101,335
Balance at 31 December 2019		–	–	218,820	9,653	(35,123)	193,350
Loss for the year		–	–	–	–	(113,868)	(113,868)
Capital Contribution from parent		–	–	67,932	–	–	67,932
Dividend in specie	16	–	–	–	–	–	–
Balance at 31 December 2020		–	–	286,752	9,653	(148,991)	147,414

- Share capital represents the nominal value of the Company's cumulative issued share capital.
- Share premium represents the cumulative excess of the fair value of consideration received for the issue of shares in excess of their nominal value less attributable share issue costs and other permitted reductions.
- Capital contribution reserves represents the company's shareholders' contributions in excess of the face value of the registered share capital.
- Share based reserves represents shares with no voting rights that were issued as part of a share conversion and reorganisation.
- Retained (loss)/ earnings represent the cumulative value of the profits and (losses) not distributed to Shareholders but retained to finance the future capital requirements of the Company.

The notes on pages 22 to 38 are an integral part of these financial statements.

1. **General overview**

Autolus Limited is a private company limited by shares incorporated under the laws of England and Wales. The registered office is Forest House, 58 Wood Lane, London W12 7RZ, United Kingdom.

Autolus is a biopharmaceutical company developing next generation programmed T cell therapies for the treatment of cancer. Using our broad suite of proprietary and modular T cell programming technologies, we are engineering precisely targeted, controlled and highly active T cell therapies that are designed to better recognise cancer cells, break down their defence mechanisms and eliminate these cells.

Autolus Limited is a 100% subsidiary of Autolus Holdings (UK) Limited. Autolus Holdings (UK) Limited is a 100% subsidiary of Autolus Therapeutics plc, the ultimate parent of Autolus Limited. Autolus Therapeutics plc is incorporated in England and Wales with a registration number of 11185179. The registered office is Forest House, 58 Wood Lane, London W12 7RZ, United Kingdom. Copies of the Group accounts can be obtained from the Companies House website.

2. **Basis of preparation**

On 25 April 2019, the Company changed its accounting reference date from 30 September to 31 December, thereby extending the reporting period by three months. Due to this change in the prior fiscal period, the financial statements cover a 12-month period beginning on 1 January 2020 and ending on 31 December 2020, with a comparative period of 15 months, beginning on 1 October 2018 and ending on 31 December 2019.

Accounting Convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements have been prepared on the historical cost basis. The presentation and functional currency are the British Pound Sterling (£) and all values are rounded to the nearest thousand (£'000), except when otherwise indicated. The principal accounting policies adopted are set out in this note.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64(p), B64(q)(ii), B66 and B67of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Autolus Therapeutics plc in which the entity is consolidated;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40 ,111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.
- disclosure of the effect of future accounting standards not yet adopted

Autolus Limited is a subsidiary company of Autolus Holdings (UK) Limited which is a wholly owned subsidiary of Autolus Therapeutics plc, the ultimate parent company. Where required, equivalent disclosures are given in the consolidated accounts of Autolus Therapeutics plc. The consolidated accounts of Autolus Therapeutics plc are available to the public and can be obtained from Companies House.

Going concern
As of 31 December 2020, the Company had cash and cash equivalents of £109.4 million. Based on our current clinical development plans, we believe our existing cash, along with the additional net proceeds of £89.5 million from sale of our ADSs under our at-the market facility program in January 2021 and our follow-on capital raise in February 2021 will be able to fund our current and planned operating expenses and capital expenditure requirements through at least the next 12 months from the date of this Annual Report. We have assessed the planned expenditure and expect our available cash to extend into the first half of 2023. The ultimate parent company, Autolus Therapeutics plc will continue to provide financial support to the Company for the foreseeable future.

Further, the Directors have conducted a full assessment of the impact of COVID-19 on the going concern status of the Company. As the Company is pre-revenue the economic impact of the pandemic does not have an effect on the cash inflow or the cash reserves of the Company. It also does not negatively impact the cash outflows as the majority of the cost base is fixed cost and the cash burn fairly consistent on a month to month basis.

Further details regarding the risks to the Company can be found in the Strategic Report (including the Finance Review and Principal risks).

Significant accounting policies
The principal accounting policies applied in the preparation of these financial statements are set out below.

Revenue from contracts with customers
The Company accounts for its revenues pursuant to the provisions of International Financial Reporting Standards 15 "Revenues from Contracts with Customers" ("IFRS 15").

The Company has no products approved for commercial sale and has not generated any revenue from commercial product sales. The total revenue to date has been generated principally from a license agreement with an investee of one of our affiliates . The terms of the agreement include a non-refundable license fee, payments based upon achievement of clinical development and regulatory objectives, and royalties on product sales.

In determining the appropriate amount of revenue to be recognized as the Company fulfils its obligations under its agreements, the Company performs the following steps: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations based on estimated selling prices; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation.

License Fees and Multiple Element Arrangements
If a license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in the arrangement, the Company recognizes revenues from non-refundable, upfront fees allocated to the license at such time as the license is transferred to the licensee and the licensee is able to use, and benefit from, the license. For licenses that are bundled with other promises, the Company utilizes judgment to assess the nature of the combined performance obligations to determine whether the combined performance obligations are satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress for purposes of recognizing revenue from non-refundable, upfront fees. The Company evaluates the measure of progress each reporting period and, if necessary, adjusts the measure of performance and related revenue recognition.

Appropriate methods of measuring progress include output methods and input methods. In determining the appropriate method for measuring progress, the Company considers the nature of service that the

Company promises to transfer to the customer. When the Company decides on a method of measurement, the Company will apply that single method of measuring progress for each performance obligation satisfied over time and will apply that method consistently to similar performance obligations and in similar circumstances.

Contingent Research Milestone Payments
IFRS 15 constrains the amount of variable consideration included in the transaction price in that either all, or a portion, of an amount of variable consideration should be included in the transaction price. The variable consideration amount should be included only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The assessment of whether variable consideration should be constrained is largely a qualitative one that has two elements: the likelihood of a change in estimate, and the magnitude thereof. Variable consideration is not constrained if the potential reversal of cumulative revenue recognized is not significant, for example.

If the consideration in a contract includes a variable amount, the Company will estimate the amount of consideration in exchange for transfer of promised goods or services. The consideration also can vary if the Company's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. The Company considers contingent research milestone payments to fall under the scope of variable consideration, which should be estimated for revenue recognition purposes at the inception of the contract and reassessed ongoing at the end of each reporting period.

The Company assesses whether contingent research milestones should be considered variable consideration that should be constrained and thus not part of the transaction price. This includes an assessment of the probability that all or some of the milestone revenue could be reversed when the uncertainty around whether or not the achievement of each milestone is resolved, and the amount of reversal could be significant.

IFRS provides factors to consider when assessing whether variable consideration should be constrained. All of the factors should be considered, and no factor is determinative. The Company considers all relevant factors.

Research & Development Costs
Research expenditure is written off to the profit and loss account in the period in which it is incurred. Research and development expenses consist of costs incurred in performing research and development activities, including salaries, share-based compensation and benefits, depreciation expense, external costs of outside vendors engaged to conduct clinical development activities, clinical trials, costs to manufacture clinical trial materials and certain tax credits associated with research and development activities.

Development expenditure is written off in the same period unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is capitalised and amortised over the period from which the Company is expected to benefit.

Accrued Research and Development Expenses
As part of the process of preparing financial statements, the Company is required to estimate accruals for research and development expenses. This process involves reviewing and identifying services which have been performed by third parties on the Company's behalf and determining the value of these services. In addition, the Company makes estimates of costs incurred to date but not yet invoiced, in relation to external Clinical Research Organizations and clinical site costs. The Company analyses the progress of clinical trials, including levels of patient enrolment, invoices received, and contracted costs when evaluating the adequacy of the accrued liabilities for research and development. The Company makes judgments and estimates in determining the accrued balance in any accounting period.

Cash and Cash Equivalents
The Company considers cash and cash equivalents to include cash at banks with a maturity of less than three months, which is subject to an insignificant risk of changes in value.

Restricted Cash
The Company entered into a lease that requires a letter of credit supported by £0.5 million deposit held by the Company's bank for the duration of the lease and a credit card arrangement that requires a security deposit of £0.1 million. The Company includes the restricted cash balance in cash and cash equivalent.

Property plant and equipment
Property and equipment are recorded at cost and depreciated or amortized using the straight-line method over the estimated useful lives of the respective assets. As at 31 December 2020 and 31 December 2019, the Company's property and equipment consisted of office equipment, lab equipment, furniture and fixtures, and leasehold improvements with the following economic useful lives:

Office equipment	-	3 years
Laboratory equipment	-	5 years
Prodigy machines	-	10 years
Furniture and fixtures	-	5 years
Leasehold improvements	-	Over the shorter of term of the lease or economic useful life

Assets under construction consist of costs incurred with leasehold improvements and, once placed into service, will be depreciated over the shorter of the lease term or the economic useful life of the asset.

Upon retirement or sale, the cost of assets disposed of, and the related accumulated depreciation, are removed from the accounts and any resulting gain or loss is included in the consolidated income statement.
Repairs and maintenance expenditures, which are not considered improvements and do not extend the economic useful life of property and equipment, are expensed as incurred.

The Company routinely evaluates the residual values, useful lives and methods attributed to its assets. During the second quarter of 2019, the Company determined that the useful lives of certain lab equipment should be increased from five to ten years based on the expectation of usability. The company accounted for this change in estimate prospectively from April 2019. This change in estimated useful life resulted in a reduction of depreciation expense of £0.2 million.

Leases
IFRS 16 was adopted in the 15-month period ended 31 December 2019.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Company recognises Right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of Right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and

lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Right-of-use assets are also subject to impairment.

Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of office and lab equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Intangible Assets
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Any changes that are expected in the useful life of these assets are considered to modify the amortisation period or method and are treated as changes in accounting estimates.

Where a finite useful life of the acquired asset cannot be determined, or the intangible asset is not yet available for use, the assets are not amortised, but instead tested each year end for impairment either individually or by allocating the assets to the cash-generating units to which they relate. The assessment

of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable.

The Company's intangible assets consist of separately acquired licences and software. Amortisation commences for separately acquired licences when the product candidates underpinned by the intellectual property rights become available for commercial use. Amortisation is calculated on a straight-line basis over the shorter of the remaining useful life of the intellectual property or estimated sales life of the product candidates. No amortisation has been charged to date for the Company's purchased licences, as the product candidates underpinned by the intellectual property rights are not yet available for commercial use.

The Company's software is recorded at cost and amortised on a straight-line basis over the period of 3 years.

An intangible asset is derecognised upon disposal (i.e. the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Patents and Trademarks
Patents, licences and trademarks are measured initially at purchase cost and are amortised on a straight-lined basis over their estimated economic useful lives. Due to the early stage of the programmes the patents and trademarks, including patent application costs have been expensed to research and development.

Impairment of tangible and intangible assets
At each balance sheet date, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of the asset (or cash-generating unit) is estimated at less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation reserve.

Financial Instruments
Financial assets and financial liabilities are recognised in the balance sheet when the Company becomes party to the contractual provisions of an instrument.

Financial assets
Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. The classification of financial assets at initial recognition depends on the financial assets contractual cash flow characteristics. The Company does not currently have any financial assets classified as fair value through profit and loss or assets classified at fair value through OCI.

Financial assets at amortized cost are financial assets held within a business model aimed at holding the assets in order to collect contractual cash flows. The dates for these cash flows comprise solely payments of principle and interest. Assets measured at amortized cost are initially recognized at fair value plus any directly attributable transaction costs. For receivables the value on transaction date is deemed to be equal to fair value. The short-term nature of the Company's receivables, which are solely research and development tax credit receivable and grant income receivable, are collected within 12 months, are short term in nature, do not accrue any interest contractually, and do not subject the Company to credit risk. Interest income recognised in the Income Statement, has been recognised as received from financial institutions which hold the Company's cash deposits.

Financial assets of the Company that subject the Company to credit risk consist primarily of cash and cash equivalents. The Company does not hold any debt securities, loans or trade receivables.

Expected credit losses under IFRS 9 have not been recognised. This is due to the fact that the receivables of the Company consist of cash flows receivable from government institutions. These receivables which are financial assets measured at amortised cost have a low risk of default and a strong capacity to meet the expected cash flows.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred rights to receive cash flows from the asset or has transferred either all the risks and rewards of the asset associated with the asset or control of the asset.

Impairment of Financial Assets
The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

As stated in the financial instruments policy above the Company's financial assets do not include any debt instruments or trade receivables, and all cash held is held with banks on short term deposit only with reputable banking institutions, therefore the Company has not recognised any ECLs over our financial assets in the 12 months ended 31 December 2020.

Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Financial liabilities are derecognised when the obligation under the liability is discharged or cancelled or expires.

Foreign Currencies
Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated into sterling using the exchange rate at the date of the transaction.

Transactions in foreign currencies are translated into sterling using the exchange rate at the date of the transaction. Exchange gains are recognised in Finance Income and exchange losses are recognised in Finance Expense in the income statement.

Employee benefits
Autolus has a defined contribution pension plan for all employees. Certain employees are entitled to participate in other benefits which include healthcare insurance and bonus schemes. Costs of these benefits are recognised when incurred.

Grant income
Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions of the grants and 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. Grant income is recognised gross in the income statement as other operating income.

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, and include R&D tax credits receivable under the HM Revenue and Customs ("HMRC") small or medium enterprise ("SME") scheme, which provides additional taxation relief for qualifying expenditure on R&D activities, and allows for the surrender of tax losses in exchange for a cash payment from HMRC.

Income tax credit
The Company benefits from the U.K. research and development tax credit regime under both the small and medium sized enterprise, or SME, scheme and by claiming a Research and Development Expenditure Credit ("RDEC") in respect of grant funded projects. Under the SME regime, a portion of the Company's losses can be surrendered for a cash rebate of up to 33.35 % of eligible expenditures. Such credits are accounted for within the tax provision in the year in which the expenditures were incurred.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply to the year when the asset is realised, based on tax rates (and tax laws) enacted or substantively enacted at the end of the reporting period.

Critical accounting judgements and key sources of estimation and uncertainty

Research and development tax credit
The Company's research and development tax claim is complex and requires management to make significant assumptions in building the methodology for the claim, interpreting research and development tax legislation to the Company's specific circumstances, and agreeing the basis of the Company's tax computations with HM Revenue & Customs.

New and amended standards and interpretations

In the current year, the Company has applied the below amendments to IFRS Standards and Interpretations issued by the Board that are effective for an annual period that begins on or after 1 January 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendment to IAS 1 "Presentation of Financial Statements"
- Amendment to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"
- Amendment to IFRS 3 "Business Combinations"
- Amendment to IFRS 7 "Financial Instruments: Disclosures"
- Amendment to IFRS 9 "Financial Instruments"
- Amendment to IFRS 16 "Leases"
- Amendments to References to the Conceptual Framework in International Financial Reporting Standards

3. Operating loss

£'000	For the year ended 31 December 2020	For the period ended 31 December 2019
Employee benefits expense	26,621	23,091
Depreciation & amortisation	3,872	3,858
Consultants	13,567	12,797
Lease expenses	9,900	8,086
Other expenses	29,073	34,587
Share based payment	10,994	18,302
Clinical trials and expenses	35,845	29,612
IPO expenses	505	636
Insurance	2,746	1,914
Lease impairment	—	604
Impairment of Leasehold Improvements	—	3,184
Grant income	(1,145)	(2,482)
Other income	(829)	(195)
Licence revenue	(187)	—
Total operating loss	**130,962**	**133,994**

Other expenses include legal and professional, recruitment fees, facility maintenance, IP fees and audit fees.

4. Auditor's remuneration

Fees payable to Ernst & Young LLP and their associates for the audit of the Company's annual accounts were £51,000 (2019: £72,500).

5. Finance income and expense

Finance income and expense can be broken down as follows:

£'000	31 December 2020	31 December 2019
Bank interest income	415	2,498
Foreign exchange gains	—	4,532
Total Finance Income	**415**	**7,030**
Bank charges and Interest expense	(1,372)	(1,572)
Foreign exchange (losses)	(768)	—
Total Finance expense	**(2,140)**	**(1,572)**

Bank interest relates to the interest received on the funds lodged to our bank account by Autolus Therapeutics plc following their follow-on offerings in January 2020 and April 2019.
The increase in interest expense is related to lease liabilities.
Foreign exchange gains arise on the retranslation of our USD bank accounts at the year end.

6. Employees

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

By Activity	31 December 2020	31 December 2019
Office and management	39	29
Research and development	263	222
Total	**302**	**251**

The aggregate remuneration comprised:

£'000	31 December 2020	31 December 2019
Wages and salaries	21,963	19,531
Pension costs	1,011	898
Social security costs	3,230	2,081
Other Benefits	417	581
Total	**26,621**	**23,091**

7. Directors' remuneration

£'000	For the year ended 31 December 2020	For the period ended 31 December 2019
Remuneration for qualifying services	1,194	1,392
Company pension contributions to defined contribution schemes	24	36
	1,218	**1,428**

The number of Directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019 - 1).

The number of Ordinary Shares issued to Directors during the year are Nil. The number of share options granted in the ultimate parent company, Autolus Therapeutics plc, to the Directors during the year are nil (2019: 943,850).

The highest paid director received payments of £773k during the year (2019: £654k) and was not granted any share options in the ultimate parent company Autolus Therapeutics plc this year (2019: 620,000).

8. Tax

Corporation tax £'000	31 December 2020	31 December 2019
Current year	(18,030)	(15,489)
Withholding tax	—	42
Adjustments in respect of prior years	(789)	228
Overseas tax	—	4
Total	**(18,819)**	**(15,215)**

The charge for the year can be reconciled to the profit in the income statement as follows:

£'000	Period ended 31 December 2020	Year ended 31 December 2019
Loss before tax on continuing operations	**(132,687)**	**(128,536)**
Tax at the UK corporation tax rate of 19 %	(25,211)	(24,421)
Tax effect of expenses that are not deductible in determining taxable profit	183	3,461
R&D tax credits	(18,030)	(15,490)
Depreciation in advance of capital allowances not recognised	426	470
Other deferred tax assets not recognised	2,070	2,483
Losses not utilised	22,532	18,008
Adjustments in respect of prior years	(789)	228
Withholding tax	—	42
Impact of overseas tax rate	—	4
Tax credit for the year	**(18,819)**	**(15,215)**

At the balance sheet date, the Company has unused tax losses, after accounting for tax credits receivable, of £156 million (2019: £77.5 million) available for offset against future profits. No deferred tax asset has been recognised in either year in respect of these losses or any other deferred tax assets arising from temporary differences, as it is not considered probable that there will be future taxable profits available. These losses may be carried forward indefinitely.

9. Intangible assets

£ 000	Patents & Licences	Software	Total
Cost or valuation			
At 30 September 2018	9,295	55	9,350
Additions	1,185	199	1,384
At 31 December 2019	**10,480**	**254**	**10,734**
Additions	160	—	160
Disposals	—	—	—
At 31 December 2020	**10,640**	**254**	**10,894**
Accumulated amortisation			
At 30 September 2018	—	25	25
Charge for the year	—	36	36
At 31 December 2019	—	**61**	**61**
Charge for the year	—	77	77
Impairment	—	—	—
At 31 December 2020	—	**138**	**138**
Carrying amount			
At 31 December 2019	10,480	193	10,673
At 31 December 2020	**10,640**	**116**	**10,756**

In November 2019, the Company entered into an exclusive license agreement (the "License") with Noile-Immune Biotech Inc. ("Noile"). The Company will have the right to develop CAR T cell therapies incorporating Noile's PRIME (proliferation-inducing and migration-enhancing) technology secreting both interleukin-7 (IL-7) and CC motif ligand 19 (CCL19). The PRIME technology is designed to improve proliferation and trafficking into solid tumours of both engineered CAR T cells as well as the patient's own T cells.

The Company paid an upfront fee and may be obligated to make additional payments to Noile under the License Agreement upon the achievement of development milestones.

No amortisation has been charged to date on licences, as the product candidates underpinned by the intellectual property rights are not yet available for commercial use.

10. Property, plant and equipment

£ 000	Office Equipment	Laboratory Equipment	Furniture and Fixtures	Leasehold Improvements	Assets Under Construction	Total
Cost or valuation						
At 30 September 2018	**781**	**8,021**	**455**	**59**	**1,881**	**11,197**
Additions	814	5,391	526	6,149	3,190	16,070
Disposals	—	—	—	—	—	—
At 31 December 2019	**1,595**	**13,412**	**981**	**6,208**	**5,071**	**27,267**
Additions	495	2,967	—	3	7,206	10,671
Disposals	(23)	—	—	—	—	(23)
At 31 December 2020	**2,067**	**16,379**	**981**	**6,211**	**12,277**	**37,915**
Accumulated depreciation						
At 30 September 2018	**375**	**1,497**	**106**	—	—	**1,978**
Charge for the year	454	2,508	193	644	—	3,799
Disposals	—	—	—	—	—	—
Impairment	—	—	—	—	**3,184**	3,184
At 31 December 2019	**829**	**4,005**	**299**	**644**	**3,184**	**8,961**
Charge for the year	512	2,555	172	627		3,866
Disposals	(20)	—	—	—	—	(20)
At 31 December 2020	**1,321**	**6,560**	**471**	**1,271**	**3,184**	**12,807**
Carrying amount						
At 31 December 2019	**766**	**9,407**	**682**	**5,564**	**1,887**	**18,306**
At 31 December 2020	**746**	**9,819**	**510**	**4,940**	**9,093**	**25,108**

The depreciation expenses of £3.9 million (2019: £3.8 million) have been recognised as £1.4 million (2019: £0.8 million) administrative expense and £2.5 million (2019: £3.0 million) as Research and Development expenses. The impairment of fixed assets in 2019 related to leasehold improvements for the Grid project which was being held as assets under construction as part of a project to build a manufacturing site in the United Kingdom. The impairment was the full value of the leasehold improvement as the Company chose to discontinue the fit-out of the facility in 31 December 2019.

11. Right-of-use assets and lease liabilities

Below are the carrying amounts of Right-of-use assets recognised and the movements during the period:

£000	Plant and Machinery	Other Equipment	Total
As at 1 October 2018	**3,670**	—	**3,670**
Additions	16,475	102	**16,577**
Modification to lease term	(1,446)	—	**(1,446)**
Impairment of ROU Asset	(604)	—	**(604)**
Amortisation	(2,262)	(38)	**(2,300)**
As at 31 December 2019	**15,833**	**64**	**15,897**
Additions	2,391	43	**2,434**
Lease terminations	(1,748)	(7)	**(1,755)**
Amortisation	(2,455)	(30)	**(2,485)**
Category adjustment	(24)	24	—
As at 31 December 2020	**13,997**	**94**	**14,091**

Below are the carrying amounts of lease liabilities and movements during the period:

£000	
As at 31 December 2019	**18,707**
Additions	2,434
Repayments of the principal	(2,344)
Lease termination	(1,772)
As at 31 December 2020	**17,025**
Current	2,359
Non – Current	14,666

The following are the amounts recognised in profit or loss:

	Total
Amortisation expense of Right-of-use assets	2,485
Interest expense on Lease liabilities	1,280
Expense relating to short-term leases	146
Gain on lease terminations	(812)
Total amount recognised in Profit or Loss	**3,099**

The Company had total cash outflows for leases of £3.1 million in 2020 (2019: £1.5 million). For the period ended 31 December 2019, the Company had non-cash reductions to the Lease liabilities and Right-of-use asset of £1.4 million due to the decision by the Company to discontinue of the use of a manufacturing facility in the United Kingdom. As the lease for this facility included an option for early termination both the asset and the liability were reduced to take this early termination option into account. The Company had a non-cash gain on lease terminations of $1.0 million mainly related to the landlord exercising the option to break the leases under the break clauses in the agreements.

The carrying value of the Company's lease obligations as at 31 December 2020 and 2019 approximates to their fair value. The Company's lease liabilities are secured by the related underlying assets.

The undiscounted maturity analysis of lease liabilities recognised at 31 December 2020 is as follows:

£000	31 December 2020	31 December 2019
Within one year	3,452	2,573
One to two years	3,484	3,301
Two to three years	3,060	3,362
Three to four years	2,615	3,285
Four to five years	2,396	2,916
Greater than five years	6,530	9,212
Total future minimum lease payments	**21,537**	**24,649**
Less future finance charges	(4,512)	(5,942)
Less Fx gains/loss	—	
Present value of lease obligations	**17,025**	**18,707**

12. Trade and other receivables

£'000	31 December 2020	31 December 2019
Interest Accrued	30	310
Prepayments	7,043	4,901
Grant Income Accrued	303	412
VAT Receivable	2,286	1,453
R&D Claim Receivable	19,484	20,931
Tax prepayments	41	—
Lease deposit	4,445	1,457
Deferred IPO expenses	—	211
	33,632	**29,675**

13. Trade and other payables

£'000	31 December 2020	31 December 2019
Trade creditors and accruals	(28,570)	(19,269)
Total	**(28,570)**	**(19,269)**

14. Cash and cash equivalents

£'000	31 December 2020	31 December 2019
Cash and bank balances	99,197	146,642
Fixed short-term deposit	10,225	10,134
Total	109,422	156,776

Cash and cash equivalents comprise cash and short-term bank deposits. The carrying amount of these assets is approximately equal to their fair value.

15. Share capital

Authorised and Issued Share Capital as of 31 December 2020 is 100 B Ordinary shares valued at £0.00001 each or £0.001 in aggregate.

The class B Ordinary shares give the holder the right to vote on all matters submitted to a vote of the Company's shareholders. All class B Ordinary Shares are held by Autolus Holdings (UK) Limited.

There were no share capital transactions in the year ended 31 December 2020.

16. Retained loss

Balance at 30 September 2018	**£**	**78**
Net loss for the year		(113,321)
Balance at 31 December 2019		**(35,123)**
Net loss for the year		(113,868)
Dividend in specie		—
Balance at 31 December 2020	**£**	**(148,991)**

On December 23, 2020, the board of directors of the Company approved a dividend in specie of $0.1 per ordinary share of Autolus Inc, to be satisfied by transfer of the entire share capital of Autolus Inc, being 100 shares, to the sole shareholder, Autolus (UK) Holdings Limited for the value of $10.00.

17. Events after balance sheet date

The Company evaluated subsequent events through the date on which these financial statements were issued.

In January 2021, we announced the prioritisation of the AUTO1 program and our intention to seek a partner for the AUTO3 program before progressing AUTO3 into its next phase of development. We also announced an adjustment of our workforce and infrastructure footprint during the first quarter of 2021, which will involve an overall reduction in headcount of approximately 20%. We expect to realise cash savings, on an annualised basis, of approximately £11.0 million per annum once the operational changes are fully implemented. In the short-term, we expect there to be an increase in the first half of 2021 to both research and development expenses and selling, general, and administrative expenses due to restructuring charges of approximately £1.8 million, combined.

In January 2021, the company's ultimate parent company, Autolus Therapeutics plc sold an aggregate of 1.7 million ADSs under the Sales Agreement, resulting in net proceeds of £11.3 million.

On 12 February 2021, Autolus Therapeutics plc completed an underwritten public offering of 14,285,715 ADSs, which includes the full exercise by the underwriters to purchase an additional 2,142,857 ADSs, at a public offering price of $7.00 per ADS. Aggregate net proceeds to the ultimate parent Company, after underwriting discounts, were £78.2 million.

On 29 March 2021, the Group announced that it now plans to establish global commercial launch capacity in the UK, enabling the Group to leverage the expertise and skill base of its U.K. employees. This will be provided by a combination of the existing clinical trial manufacturing facility at The Cell and Gene Therapy Catapult (CGTC) facility and a new Autolus facility. This revised strategy aims to deliver a less capital-intensive commercial manufacturing infrastructure at a lower cost base. In conjunction with this new facilities strategy, the Group's lease for the manufacturing and office facility at 9950 Medical Center Drive in Rockville, MD, has been mutually terminated, triggering a cash payment to the Group and ending all of the Group's payment obligations under the lease.