Registered Number 11365111 (England & Wales)

Autolus Holdings (UK) Limited

Annual report and financial statements

Registered Number 11365111

31 December 2021

Contents

AUTOLUS HOLDINGS (UK) LIMITED

Company Information

Directors	Christian Martin Itin Andrew John Oakley (appointed 31 May 2021)
Secretary	Oakwood Corporate Secretary Limited Third floor 1 Ashley Road Cheshire England WA14 2DT
Registered Office	The Mediaworks 191 Wood Lane London England W12 7FP
Registered Number	11365111
Auditors	Ernst & Young LLP R+ 2 Blagrave Street Reading RG1 1AZ
Bankers	Barclays Bank 1 Church Street Peterborough PE1 1XE
Solicitors	Cooley LLP 22 Bishopsgate London EC2N 4BQ

Strategic Report

The directors present their strategic report on the affairs of Autolus Holdings (UK) Limited (the "Company"), together with the financial statements for the year to 31 December 2021.

Principal Activity

The Company's principal activity is to act as a holding company for the investments of Autolus Therapeutics plc, the "Parent Company", a company incorporated in England and Wales under the registration number 11185179 on 16th May 2018.

Development of the Company and General Business Review

On 15 June 2018, as a part of the corporate reorganisation of Autolus Therapeutics plc and the entities controlled by the Parent Company, (the 'Group'), which was undertaken by the parent, a further 999 shares of the Company were issued to Autolus Therapeutics plc in exchange for the entire share capital of its wholly owned subsidiary, Autolus Limited. The shares were issued with a nominal value of £1, resulting in a Share Premium recorded of £222,232,937. On the same day, the Directors of the Company then undertook a capital reduction of the newly recorded Share Premium, which released £222,232,937 to Retained Earnings, creating distributable reserves for the Company.

On the 15 February 2019, the Company purchased all of the issued share capital of Autolus GmbH, a newly incorporated company in Munich, Germany. The initial investment was for €25,000, which is comprised of 25,000 shares with a par value of €1 each.

On 23 July 2019, the Company changed its accounting reference date from 30 September to 31 December.

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 Autolus Limited, were distributed up to the Company, Autolus Holdings (UK) Limited, the shareholder of Autolus Limited. The share capital of Autolus Inc which was distributed as dividend in specie and was recorded at its fair value of £1,140,559.

The directors have reviewed the investments that the Company holds in subsidiary companies and based on the research and development carried out and the clinical and regulatory milestones being achieved, the directors have concluded that there is no need to impair any of the investments.

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.

Funding

All funding of the Company will come in the form of further investment by the Parent Company.

Principal Risks and Uncertainties

As parent company of the operating entities, Company's principal risks and uncertainties are derived from the principal risks and uncertainties of the Autolus Group. The Group's ability to implement its business strategy is subject to numerous material and other risks. These risks include, among others:

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.

As a result of these risks, the Company reviews the performance of its investments on annual basis for impairment.

Financial Risk Management

The Company does not hold any cash and cash equivalents and therefore limited exposure to credit, foreign exchange and liquidity risk. The Company has no significant off-balance sheet risk or concentration of credit risk, such as foreign exchange contracts, options contracts, or other foreign hedging arrangements, and currently has no ongoing material financing commitments such as lines of credit or guarantees, that are expected to affect liquidity over the next five periods.

Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the going concern assessment period of twelve months to 31 July 2023 and meet its liabilities as they fall due.

The Company is part of the group headed by Autolus Therapeutics plc (the "Group"). It is reliant on financial statement support from its parent company which has been received and states that it intends to make funds available. As a result, the Company's going concern assessment was made in conjunction with the Autolus Therapeutics plc group's going concern assessment. In view of this, the directors have confirmed that Autolus Therapeutics plc, intends to make funds available to the Company to enable it to meet its liabilities as they fall due in the twelve months until 31 July 2023.

The directors of the Company have assessed the going concern position of the Group and note the following key factors in relation to the parent company is making their assessment of going concern of the Company.

As of 31 December 2021, the Group had cash and cash equivalents of £229.7 million and net current assets of £230.6 million. The Group did not generate positive operational cash flow which was largely due to the continuing focus on the research, preclinical and clinical development, as well as supportive activities to advance the programs within the Group's pipeline. The Group's operations are financed primarily through sales of equity securities, reimbursable U.K. research and development tax credits and receipts from the U.K. government, and more recently through strategic financing. During the year ended 31 December 2021, the Group raised aggregated net proceeds of £171.6 million, £36.6 million and £18.1 million from the sale of equity securities, strategic financing and reimbursable U.K. research and development tax credits and receipts from the U.K. government, respectively.

In assessing the going concern assumptions, the Board has undertaken a rigorous assessment of the detailed cash flow forecasts covering a going concern period up to 31 July 2023. The Board has also considered the Group's objectives and strategy, its principal risks and uncertainties in achieving its objectives and its review of business performance and financial position.

The Board prepare its budgets on an annual basis, based on a twelve-month period, and monitor the budget throughout this period by trueing up and reforecasting in two cycles. The budget which forms the basis of the going concern assessment is built on forecasted costs, with the biggest constituent being development spend related to the Group's ongoing Phase 2 FELIX study including the manufacturing capabilities thereof and associated headcount costs. These types of costs are, in the most part, known and relatively predictable. Within the going concern period, the Board have assumed certain forecasted cash receipts in the shape of development and regulatory milestones and receipt of a U.K. research and development tax credit, which contribute to the Group's base assumptions on the Company's expected cash runway.

For prudence, the Board have also considered certain risk factors related to the Group's base budgetary assumptions. These risk factors, which were factored into a sensitivity analysis for a reasonable worst case downside scenario, include a clinical program delay, inflationary increases in forecasted costs and non-receipt of forecasted milestone payments. Under each of these scenarios the business remained a going concern. In addition, certain countermeasures and levers have been identified such as headcount cost reductions, cost delay initiatives and utilisation of available capital funding, which could be implemented to give flexibility in managing the Company's cash runway. All scenarios result in a sufficient coverage above the twelve-month horizon from the date of issuance of the financial statements.

As part of considering the scenarios and downside risks, the Board has assessed the impact of the ongoing coronavirus 2019 ("COVID-19") pandemic. Whilst it is difficult to estimate the impact of COVID-19 pandemic due to the rapidly changing nature of the pandemic the Board has concluded that it will not have a significant negative impact on the cash outflows of the Group over the period assessed for going concern purposes. The Board also performed a detailed impact assessment the war in Ukraine and sanctions imposed on Russia may have on the Group's operations. No significant impact has been identified on the Group's operations.

Consequently, the Board concluded that with group's existing cash, it can fund operations at least until 31 July 2023 and as such has prepared the consolidated financial statements on the going concern basis. As the Group continues to incur losses, the transition to profitability is dependent upon the successful development, approval and commercialisation of its product candidates and achieving a level of revenues adequate to support its cost structure.

Impact of COVID-19 Pandemic

The directors of the Parent Company have performed a group wide impact assessment in relation to the ongoing coronavirus 2019 coronavirus 2019 ("COVID-19") pandemic. While the Group has not experienced any significant financial impact to date, as a result of the ongoing coronavirus 2019 ("COVID-19") pandemic, 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 its business, financial condition, results of operations and growth prospects to be materially adversely affected.

The Group implemented a COVID-19 surveillance testing program available to Group staff who work on-site at the Group's U.K. facility to minimize the spread of COVID-19 pandemic within the Group. The Group continues to track COVID-19 developments in Europe and the United States closely for their potential impact on the Group's clinical trial sites, contract research organizations, logistics and supply chain to ensure it can continue to maintain clinical trial conduct and data integrity. As the patients in the Group's clinical trials are severely immune suppressed as a consequence of their underlying disease and the treatment they receive in the trials, the Group is also monitoring other transmissible infectious diseases, including influenza.

The Group is not aware of any specific event or circumstance that has impacted its operations in a manner which would require the Group to update its estimates, judgments or revise the carrying value of its assets or liabilities during the twelve-months ended 31 December 2021. However, these estimates may change, as new events occur and additional information is obtained, relating to the COVID-19 pandemic or otherwise. Changes in estimates would be recognized in the unaudited condensed consolidated financial statements as soon as they become known.

Impact of war in Ukraine and sanctions imposed on Russia

The directors have performed a detailed impact assessment the war in Ukraine and sanctions imposed on Russia may have on the Company's operations. No significant impact has been identified on the Company's operations.

Approved by the Board and signed on its behalf by:

DocuSigned by:
Andrew Oakley
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Andrew John Oakley
Director

Date: 28 July 2022

Directors' Report

Company Information

Autolus Holdings (UK) Limited was incorporated on 16th May 2018 in England and Wales with a registration number of 11365111. The address of the registered Company is The Mediaworks, 191 Wood Lane, London W12 7FP, England. The nature of the Company's operations and its principal activities are set out in the Strategic Report. The financial statements are presented in pound sterling.

Going concern

Refer to the going concern assessment prepared by the group's board of directors which is included in the Strategic Report.

Future developments and events after the balance sheet date

For further detail on future developments and events after the balance sheet date please see Note 13 in the financial statements.

Dividends

The directors do not recommend the payment of a dividend (2020: £nil).

Political contributions

The Company made no disclosable political donations or incurred any disclosable political expenditure during the year. (2020: £nil).

Directors

The directors who served throughout the year ended 31 December 2021 and to the date of the report were:

Christian Itin	Chairman	Appointed 15th June 2018
Andrew John Oakley	Senior advisor	Appointed 31st May 2021
Matthias Alder	Chief Business Officer	Resigned 30th September 2021
Dominic Michael Moreland	Vice President, Finance	Resigned 31st May 2021

Directors' Insurance and indemnities

The Company has entered into qualifying third-party indemnity arrangements for the benefit of all its Directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst and Young LLP will therefore continue in office.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make themself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the applicable laws and regulations. Company Law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with the Financial Reporting Standard 101 Reduced Disclosure Framework. 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 for that period.

In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and performance; and
- make an assessment of the Company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, 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. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detecting of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board and signed on its behalf by:

DocuSigned by:
Andrew Oakley
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Andrew John Oakley - Director

Date: 28 July 2022

Registered Office The Mediaworks, 191 Wood Lane, London W12 7FP, United Kingdom

Independent Auditor's Report to the Members of Autolus Holdings (UK) Limited

Opinion

We have audited the financial statements of Autolus Holdings (UK) Limited for the year ended 31 December 2021 which comprise the Income Statement, Balance Sheet, the Statement of Changes in Equity, and the related notes 1 to 12, 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 2021 and of its profit 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 31 July 2023, 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 page 9, 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), and the relevant direct and indirect tax compliance regulations. 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 Holdings (UK) 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 and legal counsel.

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

Adrian Bennett (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Reading
Date: 1 August 2022

Income statement

For the 12 months ended 31 December 2021

	Note	2021 £'000	2020 £'000
Income from shares in group undertakings		—	(1,141)
Operating profit		—	(1,141)
Profit before taxation		—	(1,141)
Tax	9	—	—
Profit for the year and total comprehensive income		—	(1,141)

Profit before taxation relate wholly to continuing operations.

There were no other comprehensive income and expenses other than those included in the results above and therefore no separate statement of comprehensive income has been presented.

The notes on pages 16 to 20 are an integral part of these financial statements.

Balance Sheet

As at 31 December 2021

	Note	2021	2020
		£'000	£'000
Non-current assets			
Investments	8	223,396	223,396
		223,396	223,396
Total assets		223,396	223,396
Current liabilities			
Trade and other payables	10	(21)	(21)
Net current liabilities		(21)	(21)
Net assets		223,375	223,375
Equity			
Share capital	11	1	1
Share premium		—	—
Retained earnings		223,374	223,374
Equity attributable to owners of the Company		223,375	223,375

The notes on pages 16 to 20 are an integral part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 28 July 2022. They were signed on its behalf by:

DocuSigned by:
Andrew Oakley
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Andrew John Oakley
Director
Company registered number: 11365111

Date: 28 July 2022

Registered Office The Mediaworks, 191 Wood Lane, London W12 7FP, United Kingdom

AUTOLUS HOLDINGS (UK) LIMITED

Statement of Changes in Equity

For the period ended 31 December 2021

	Share Capital	Share Premium Account	Retained Earnings	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2020	1	—	222,233	222,234
Profit for the year	—	—	1,141	1,141
Balance at 31 December 2020	1	—	223,374	223,375
Profit for the year	—	—	—	—
Balance at 31 December 2021	1	—	223,374	223,375

The notes on pages 16 to 20 are an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2021

1 General overview

Autolus Holdings (UK) Limited is a private company incorporated, domiciled and registered in England and Wales in the UK. The Company registration number is 11365111 and the address of the registered Company is The Mediaworks, 191 Wood Lane, London W12 7FP, United Kingdom.

2. Basis of preparation

2.1 Basis of accounting and measurement convention

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The financial statements are presented in thousands £'000 pound sterling.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK adopted International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006 ("UK-adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006.

Autolus Holdings (UK) Limited is a wholly owned subsidiary of Autolus Therapeutics plc, the ultimate parent. Autolus Therapeutics plc is incorporated in England and Wales with a registration number of 1185179. The registered address is The Mediaworks, 191 Wood Lane, London W12 7FP, United Kingdom. Autolus Therapeutics plc includes the Company in its consolidated financial statements.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements have been prepared on the historical cost basis. 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 I7 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;
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets; and
- disclosure of the effect of future accounting standards not yet adopted.

Where required, equivalent disclosures are given in the consolidated financial statements of Autolus Therapeutics plc. The consolidated financial statements of Autolus Therapeutics plc are prepared in accordance with UK adopted International Financial Reporting Standards and are available to the public and may be obtained from the Companies House.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 8.

3. Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the going concern assessment period of twelve months to 31 July 2023 and meet its liabilities as they fall due.

The Company is part of the group headed by Autolus Therapeutics plc (the "Group"). It is reliant on financial statement support from its parent company which has been received and states that it intends to make funds available. As a result, the Company's going concern assessment was made in conjunction with the Autolus Therapeutics plc group's going concern assessment. In view of this, the directors have confirmed that Autolus Therapeutics plc, intends to make funds available to the Company to enable it to meet its liabilities as they fall due in the twelve months until 31 July 2023.

The directors of the Company have assessed the going concern position of the Group and note the following key factors in relation to the parent company is making their assessment of going concern of the Company.

As of 31 December 2021, the Group had cash and cash equivalents of £229.7 million and net current assets of £230.6 million. The Group did not generate positive operational cash flow which was largely due to the continuing focus on the research, preclinical and clinical development, as well as supportive activities to advance the programs within the Group's pipeline. The Group's operations are financed primarily through sales of equity securities, reimbursable U.K. research and development tax credits and receipts from the U.K. government, and more recently through strategic financing. During the year ended 31 December 2021, the Group raised aggregated net proceeds of £171.6 million, £36.6 million and £18.1 million from the sale of equity securities, strategic financing and reimbursable U.K. research and development tax credits and receipts from the U.K. government, respectively.

In assessing the going concern assumptions, the Board has undertaken a rigorous assessment of the detailed cash flow forecasts covering a going concern period up to 31 July 2023. The Board has also considered the Group's objectives and strategy, its principal risks and uncertainties in achieving its objectives and its review of business performance and financial position.

The Board prepare its budgets on an annual basis, based on a twelve-month period, and monitor the budget throughout this period by trueing up and reforecasting in two cycles. The budget which forms the basis of the going concern assessment is built on forecasted costs, with the biggest constituent being development spend related to the Group's ongoing Phase 2 FELIX study including the manufacturing capabilities thereof and associated headcount costs. These types of costs are, in the most part, known and relatively predictable. Within the going concern period, the Board have assumed certain forecasted cash receipts in the shape of development and regulatory milestones and receipt of a U.K. research and development tax credit, which contribute to the Group's base assumptions on the Company's expected cash runway.

For prudence, the Board have also considered certain risk factors related to the Group's base budgetary assumptions. These risk factors, which were factored into a sensitivity analysis for a reasonable worst case downside scenario, include a clinical program delay, inflationary increases in forecasted costs and non-receipt of forecasted milestone payments. Under each of these scenarios the business remained a going concern. In addition, certain countermeasures and levers have been identified such as headcount cost reductions, cost delay initiatives and utilisation of available capital funding, which could be implemented to give flexibility in managing the Company's cash runway. All scenarios result in a sufficient coverage above the twelve-month horizon from the date of issuance of the financial statements.

As part of considering the scenarios and downside risks, the Board has assessed the impact of the ongoing coronavirus 2019 ("COVID-19") pandemic. Whilst it is difficult to estimate the impact of COVID-19 pandemic due to the rapidly changing nature of the pandemic the Board has concluded that it will not have a significant negative impact on the cash outflows of the Group over the period assessed for going concern purposes. The Board also performed a detailed impact assessment the war in Ukraine and sanctions imposed on Russia may have on the Group's operations. No significant impact has been identified on the Group's operations.

Consequently, the Board concluded that with the group's existing cash, it can fund operations at least until 31 July 2023 and as such has prepared the consolidated financial statements on the going concern basis. As the Group continues to incur losses, the transition to profitability is dependent upon the successful development, approval and commercialisation of its product candidates and achieving a level of revenues adequate to support its cost structure. Further details regarding the risks to the Group are disclosed in the Strategic Report of the Parent Company, Autolus Therapeutics plc.

4. Significant accounting policies

4.1 Investment in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, allowances for impairment.

At each balance sheet date, the Company reviews the carrying amounts of its investments in subsidiaries to determine whether there is any indication that those investments 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).

Recoverable amount is the higher of fair value less costs to sell 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 investment is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant investment is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

4.2 Policies and procedures for related party transactions

The Company has adopted a related parties transaction policy that sets forth our procedures for the identification, review, consideration and approval or ratification of related person transactions. For purposes of this policy, a related party transaction is a transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which the Company or any of its subsidiaries and any related person are, were or will be participants in which the amount involved exceeds £100,000 or which is unusual in its nature or conditions. Transactions involving compensation for services provided to the Company as an employee or director are not covered by this policy. A related person is any executive officer, director or beneficial owner of more than 5% of any class of our voting securities, including any of their immediate family members and any entity owned or controlled by such persons. There are no related party transactions.

5. Auditors remuneration

Fees payable to Ernst & Young for the audit of the Company's annual accounts were £10,000 (2020: £10,000), all costs are borne by Autolus Limited. Consolidated non-audit fees are disclosed in Autolus Therapeutics plc accounts.

6. Employees

All employee benefits are recognised within the subsidiary companies where they are paid. The Company has no employees, any work carried out by employees of the subsidiaries or the parent for services are recharged through the intercompany account as required.

7. Directors Remuneration

The directors are remunerated by the ultimate parent undertaking, Autolus Therapeutics plc or the subsidiary where the directors are employed if relevant, and as such no disclosure has been made in these financial statements. Director services to the Company are not significant.

8. Investments

	Investment in subsidiaries
	£'000
Balance as at 31 December 2019	**222,255**
Additions	1,141
Balance as at 31 December 2020	**223,396**
Additions	—
Balance as at 31 December 2021	**223,396**

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 Autolus Limited was distributed up to the Holdings Company, Autolus Holdings (UK) Limited, the shareholder of Autolus Limited. The share capital of Autolus Inc. which was distributed as dividend in specie and was recorded at its fair value of £1,440,559.

The Group subsidiaries include:

Name	Country of incorporation	% equity interest	Ordinary Shares Issued	Nominal value	Total
Autolus Limited	United Kingdom	100	100	£0.001	£0.10
Autolus Inc	USA	100	100,000	$0.0001	$10
Autolus GmbH	Germany	100	25,000	€1.00	€25,000

The principal of all of the subsidiary companies is pharmaceutical research and development.

The registered office of Autolus Limited is located at The Mediaworks, 191 Wood Lane, London W12 7FP, United Kingdom. Autolus Inc. is located at 805 King Farm Blvd, Suite 550, Rockville, MD 20850, USA. Autolus GmbH is located at Luise-Ullrich-Straße 20, c/o Design Offices Arnulfpark, 80636 München.

As at 31 December 2021, the Parent Company performed an impairment assessment on its investment in subsidiaries which included the investment in subsidiaries of the Company due to an impairment trigger being identified. The value in use has been derived from discounted cash flow projections. These assumptions include significant unobservable inputs. The inputs are derived using internal management estimates developed based on third party data and reflect management's judgements, current market conditions surrounding competing products, and forecasts. The significant unobservable inputs include the estimated patient population, estimated selling price, estimated peak sales and sales ramp, the expected term of the royalty stream, timing of the expected commercial launch and its impact on the royalty rate as well as the overall probability of a success of commercialised clinical program. The fair value less cost to sell was determined using a share target pricing model approach. No impairment loss (2020: £nil) was recognised as the recoverable amount was higher than the carrying amount of the investment in subsidiaries.

9. Tax

For the year ended 31 December	2021 £'000	2020 £'000
Current tax	—	—
Deferred tax	—	—
Tax	—	—

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

For the year ended 31 December	2021 £'000	2020 £'000
Profit before tax	—	1,141
At tax rate - 19%	—	217
Adjustment for non-taxable income from group undertakings	—	(217)
Tax	—	—

In 2020, the non-taxable income from group undertakings was the gain resulting from the distribution of Autolus Inc up to Autolus Holdings (UK) Limited. The share capital of Autolus Inc was distributed as dividend in specie and was recorded at its fair value of £1,140,559.

In the UK Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Gross UK Deferred tax assets before allowances reflect the increased rate of 25% from 19% following enactment.

The Company has no deferred tax assets or liabilities.

10. Creditors: amounts falling due within one year

As at 31 December	2021 £'000	2020 £'000
Amounts owed to group undertakings	21	21
Total creditors: amounts falling due within one year	21	21

Amount owed to Autolus Limited for paying for the initial investment in Autolus GmbH on behalf of the Company.

11. Share Capital

As at 31 December 2021, the Company are authorised to issue up to 1,000 ordinary shares or rights over ordinary shares, of which all shares were fully paid. (2020: 1000 ordinary shares)

	Ordinary Shares No.	Total
Share capital	1,000	£1,000
At 31 December 2021 and 2020	**1,000**	**£1,000**

The ordinary shares have full voting rights, dividend rights and capital distribution rights including on winding up. They do not confer any right of redemption.

12. Nature and purpose of each reserve in equity

Share capital represents the nominal value of the Company's cumulative issued share capital.

Retained earnings represents the cumulative value of the profits recognised in the income statement which is not distributed to shareholders but retained to finance the future capital requirements of the Company. There are no significant statutory or contractual restrictions on the distribution of undistributed profits of prior years.

Share premium is the difference between the par value of the Company's shares and the total amount of consideration the Company received for shares issued.

13. Events after the balance sheet date

The Company evaluated subsequent events through the date on which these financial statements were issued. No subsequent events have been identified.