

**Registered Number 11365111 (England & Wales)**

**Autolus Holdings (UK) Limited**

Annual report and unaudited financial statements

Registered Number 11365111

For the year ended 31 December 2022

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# **AUTOLUS HOLDINGS (UK) LIMITED**

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# AUTOLUS HOLDINGS (UK) LIMITED

## Company Information

### Directors

Christian Itin  
Andrew Mercieca (appointed on 2 August 2023)

### Secretary

Oakwood Corporate Secretary Limited  
Third floor  
1 Ashley Road  
Altricham  
Cheshire  
WA14 2DT  
United Kingdom

### Registered Office

The Mediaworks  
191 Wood Lane  
London  
W12 7FP  
United Kingdom

### Registered Number

11365111

### Bankers

Barclays Bank  
1 Church Street  
Peterborough  
PE1 1XE  
United Kingdom

### Solicitors

Cooley (UK) LLP  
22 Bishopsgate  
London  
EC2N 4BQ  
United Kingdom

# AUTOLUS HOLDINGS (UK) LIMITED

## Strategic Report

All references in this Annual Report to the "Company" refer to Autolus Holdings (UK) Limited. The Company was incorporated on 16 May 2018. The Company is a wholly owned subsidiary of Autolus Therapeutics plc, or the "Parent Company", a public limited company listed on the Nasdaq Global Select Market, or "Nasdaq". Autolus Holdings (UK) Limited is the parent company of Autolus Limited, Autolus GmbH and Autolus Inc., the "subsidiary entities", or the "operating entities". Together these companies form the Autolus Group, or the "Group". Autolus Holdings (UK) Limited is the intermediate holding entity of the Group. All references in this Annual Report to "Autolus", "we," "us" and "our" refer to the Group and its activities. The Company's directors, "Directors", present their Strategic Report on the affairs of Autolus Holdings (UK) Limited (the "Company"), together with the financial statements for the year ended 31 December 2022.

## Principal Activity

We are continuing 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.

## Development of the Company

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 its 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 in subsidiaries.

## General business review

The Company's principal activity is to act as an intermediate holding company for the Autolus Group. During the year ended 31 December 2022, the Company's activities also included generating licence revenue from the execution of out-licencing agreements.

## Going concern

The Directors have considered the going concern status of the Company. Refer to Note 3 of the accounting policies for Further details regarding the Company's going concern. All funding of the Company will come in the form of further investment by Autolus Therapeutics plc.

# AUTOLUS HOLDINGS (UK) LIMITED

## Key performance indicators

During the year ended 31 December 2022, the Company generated licence revenue of £3.1 million (2021: £nil). The Company does not have any other key performance indicators.

## Principal Risks and Uncertainties

As the parent company of the operating entities, the 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 may take 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 commercialization;
- establish sales, marketing and distribution infrastructure to commercialize any product candidate for which we may obtain regulatory approval;
- make required milestone and royalty payments to UCL Business Ltd., or UCLB, the technology-transfer company of University College London, or UCL, or other third parties, under licence agreements pursuant to which we were granted some of our intellectual property rights;
- make required milestone payments to Adaptive Biotechnologies Corporation, or Adaptive, under our agreement relating to the use of a proprietary assay to analyse patient samples;
- make required sales milestone and royalty payments to BXL5 V - Autobahn LP, or Blackstone, under our collaboration agreement relating to obe-cel, our lead product, and other collaboration products for B cell malignancies;
- develop, maintain, expand and protect our intellectual property portfolio;
- acquire or in-licence 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 commercialization efforts;
- expand our operations in the United States, Europe and other geographies; and
- incur additional legal, accounting and other expenses associated with operating as part of a publicly listed group.

## **AUTOLUS HOLDINGS (UK) LIMITED**

To become and remain profitable, we must succeed in developing and eventually commercializing 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, preparing a satisfactory filing package for regulatory authorities, 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 commercialization 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.

Even if we achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable would depress the value of the Group's ADSs and could impair our ability to raise capital, expand our business, maintain our research and development efforts or continue our operations.

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-licence or acquisition of additional product candidates. Furthermore, we have incurred and expect to continue to incur, additional costs associated with operating as a significant subsidiary of a publicly listed group, including significant legal, accounting, investor relations and other expenses.

Until such time as we can generate significant revenue from product sales, if ever, we expect to finance our operations through the sale of equity, strategic financings or other capital sources, including potential collaborations with other companies or other strategic transactions. We may be unable to raise additional funds or enter into such other agreements or arrangements when needed on favourable terms, or at all. If we fail to raise capital or enter into such agreements as, and when, needed, we may have to significantly delay, scale back or discontinue the development and commercialization of one or more of our drug candidates or delay our pursuit of potential in-licences or acquisitions.

Although we are based in the United Kingdom, we also 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.

### **Financial Risk Management**

The Company does not hold any cash and cash equivalents and therefore has limited exposure to credit, foreign exchange and liquidity risk. The Company has no 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 the Company's liquidity over the next five years.

# AUTOLUS HOLDINGS (UK) LIMITED

## 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.

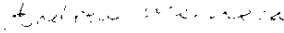
## Anti-bribery

The Company has made a commitment to carry out its business fairly, honestly and openly. Accordingly, our Anti-Bribery Policy mandates zero tolerance of bribery or corruption by any Company personnel or intermediaries and requires compliance with our various internal controls. We have established secure, anonymous means for our employees to report actual or suspected violations of this important policy.

## Events after the balance sheet date

The Directors have considered events that occurred after the reporting period and before signing of financial statements, for further detail on events after the balance sheet date, refer to Note 14 in the financial statements.

## Approved by the Board and signed on its behalf by:

DocuSigned by:  
  
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Andrew Mercieca

Director

Date: 18 August 2023

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

# AUTOLUS HOLDINGS (UK) LIMITED

## Directors' Report

### Directors

The following persons served as Directors during the period and up to the date of signing:

Christian Itin	Appointed on 15 June 2018
Andrew Oakley	Resigned on 13 October 2022
Lucinda Crabtree	Appointed on 13 October 2022 and resigned on 2 August 2023
Andrew Mercieca	Appointed on 2 August 2023

### Dividends

The Directors do not recommend the payment of a dividend (2021: £nil).

### Political contributions

The Company made no disclosable political donations or incurred any disclosable political expenditure during the year. (2021: £nil).

### 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.

### Audit Exemption

For the year ended 31 December 2022 the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

### 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;
- make an assessment of the Company's ability to continue as a going concern;

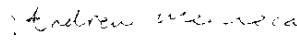


## AUTOLUS HOLDINGS (UK) LIMITED

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:  
  
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Andrew Mercieca

Director

Date: 18 August 2023

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

## AUTOLUS HOLDINGS (UK) LIMITED

### Income Statement

for the year ended 31 December 2022

<b>For the year ended 31 December</b>	<b>Note</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
License revenue	5	3,125	—
<b>Operating profit</b>		<b>3,125</b>	<b>—</b>
 <b>Profit before taxation</b>		 <b>3,125</b>	 <b>—</b>
Taxation	10	—	—
<b>Profit for the year and total comprehensive income</b>		<b>3,125</b>	<b>—</b>

All of the above figures related to continuing operations. The Company had no other comprehensive income and expenses during the current and prior year. As a result, no separate statement of comprehensive income has been presented.

The notes on pages 13 to 19 are an integral part of these financial statements.

# AUTOLUS HOLDINGS (UK) LIMITED

## Balance Sheet

As at 31 December 2022

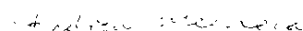
As at 31 December	Note	2022 £'000	2021 £'000
<b>Non-current assets</b>			
Investments in subsidiaries	9	226,521	223,396
		<u>226,521</u>	<u>223,396</u>
<b>Total assets</b>		<u><b>226,521</b></u>	<u><b>223,396</b></u>
<b>Current liabilities</b>			
Trade and other payables	11	(21)	(21)
<b>Net current liabilities</b>		<u><b>(21)</b></u>	<u><b>(21)</b></u>
<b>Net assets</b>		<u><b>226,500</b></u>	<u><b>223,375</b></u>
<b>Equity</b>			
Share capital	12	1	1
Share premium		—	—
Retained earnings		226,499	223,374
<b>Equity attributable to owners of the Company</b>		<u><b>226,500</b></u>	<u><b>223,375</b></u>

The notes on pages 13 to 19 are an integral part of these financial statements.

For the year ended 31 December 2022 the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Directors and authorised for issue on 16 August 2023. They were signed on the Directors' behalf by:

DocuSigned by:



21F008D3B8024AA

Andrew Mercieca

Director

Company registered number: 11365111

Date: 18 August 2023.

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

# AUTOLUS HOLDINGS (UK) LIMITED

Statement of Changes in Equity  
for the year ended 31 December 2022

	Share Capital	Share Premium Account	Retained Earnings	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2021	1	—	223,374	223,375
Profit for the year	—	—	—	—
Balance at 31 December 2021	1	—	223,374	223,375
Profit for the year	—	—	3,125	3,125
Balance as at 31 December 2022	1	—	226,499	226,500

The notes on pages 13 to 19 are an integral part of these financial statements.

# AUTOLUS HOLDINGS (UK) LIMITED

## Notes to the Financial Statements

for the year ended 31 December 2022

### 1. Accounting Policies

#### Domicile

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

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 Company's parent undertaking, Autolus Therapeutics plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Autolus Therapeutics plc are prepared in accordance with UK-adopted International Financial Reporting Standards, "IFRS" and are available to the public and may be obtained from The Mediaworks, 191 Wood Lane, London, W12 7FP, United Kingdom.

#### Statement of Compliance

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

The financial statements have been prepared on the historical cost basis except as required by the accounting standards. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods in these financial statements. The financial statements are presented in thousands £'000 pound sterling.

### 2. Basis of preparation

#### 2.1 Basis of accounting and measurement convention

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.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- 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 B67 of 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;
- 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.

# AUTOLUS HOLDINGS (UK) LIMITED

## Notes to the Financial Statements (continued) for the year ended 31 December 2022

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 4 and note 9.

### 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 to 30 September 2024 and meet its liabilities as they fall due.

The Company is part of the group headed by Autolus Therapeutics plc (the "Group"). The Company 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 period until 30 September 2024.

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 in making their assessment of going concern of the Company.

As of 31 December 2022, the Group had cash and cash equivalents of £316.3 million and net current assets of £311.7 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 collaboration agreements. During the year ended 31 December 2022, the Group raised aggregated net proceeds of £123.9 million, £56.8 million and £17.1 million from the sale of equity securities, strategic collaboration agreements 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 of directors, the "Board", has undertaken a rigorous assessment of the detailed cash flow forecasts covering a going concern period up to 30 September 2024. 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 prepares its budgets on an annual basis, based on a twelve-month period, and monitors 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 receipt of a U.K. research and development tax credit, which contribute to the Group's base assumptions on the Group's expected cash runway.

For prudence, the Board has 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 the expected reimbursable U.K. research and development tax credits. Under each of these scenarios the business remained a going concern. In addition there are certain countermeasures and levers that have been identified such as headcount cost reductions, and cost delay initiatives, which could be implemented to give flexibility in managing the Group's cash runway. All scenarios result in sufficient cash runway until 30 September 2024.

The Board also performed a detailed impact assessment of 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.

# AUTOLUS HOLDINGS (UK) LIMITED

## Notes to the Financial Statements (continued)

for the year ended 31 December 2022

Consequently, the Board concluded that with its cash and cash equivalents of £316.3 million as at 31 December 2022, the Group can fund its operations until 30 September 2024, 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.

### 4. Significant accounting policies

While the Company's significant accounting policies are described in more detail below, the following accounting policies are considered to be critical to the judgments and estimates used in the preparation of our financial statements:

#### 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).

The 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 the income statement.

#### 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 were no related party transactions.

#### 4.3 License revenue

The Company has no products approved for commercial sale and has not generated any revenue from commercial product sales. The revenue to date has been generated principally from out-licensing agreements with a small number of the Company's customers.

In determining the appropriate amount of revenue to be recognized as the Company fulfills 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.

## **AUTOLUS HOLDINGS (UK) LIMITED**

### **Notes to the Financial Statements (continued) for the year ended 31 December 2022**

#### *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 at 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.

#### *Customer Options*

If an arrangement is determined to contain customer options that allow the customer to acquire additional goods or services, the goods and services underlying the customer options that are not determined to be material rights are not considered to be performance obligations at the outset of the arrangement, as they are contingent upon option exercise. The Company evaluate the customer options for material rights, or options to acquire additional goods or services for free or at a discount. If the customer options are determined to represent a material right, the material right is recognized as a separate performance obligation at the outset of the arrangement. The Company allocate the transaction price to material rights based on the relative standalone selling price, which is determined based on any identified discount and the probability that the customer will exercise the option. Amounts allocated to a material right are not recognized as revenue until, at the earliest, the option is exercised.

#### **Critical accounting judgements and key sources of estimation and uncertainty**

##### *Carrying value of investments in subsidiary undertakings*

As at 31 December 2022, the Directors performed an impairment assessment on its investment in subsidiaries due to an impairment trigger being identified. Both a fair value less cost to sell and a value in use calculation were performed. The value in use has been derived from discounted cash flow projections factoring in similar inputs and assumptions used in the valuation of the Blackstone Collaboration Agreement liability. 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 programs. The fair value less cost to sell was determined using a share target pricing model approach. No impairment loss (2021: Nil) was recognised as the recoverable amount was higher than the carrying amount of the investment in subsidiaries.



# AUTOLUS HOLDINGS (UK) LIMITED

## Notes to the Financial Statements (continued) for the year ended 31 December 2022

### 5. Licence revenue

Revenue comprises of licence revenue for the years ended 31 December 2022 and 2021, respectively.

	2022	2021
For the year ended 31 December	£'000	£'000
<b>Total licence revenue</b>	<b>3,125</b>	<b>—</b>

Licence revenue for the year ended 31 December 2022 relates to the Option and Licence Agreement (the "BMS Agreement") with Bristol-Myers Squibb Company ("BMS"), pursuant to which the Company granted to BMS a non-exclusive license to research, develop, manufacture, have manufactured, use, and commercialize products incorporating the Company's safety switch technology (RQR8 technology).

The Company does not have any contract assets / liabilities or contract costs relating revenue contracts with its customers for the financial year ended 31 December 2022 (2021: £nil).

### 6. Auditors remuneration

For the year ended 31 December 2022 the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. As a result, the fees payable to Ernst & Young for the audit of the Company's annual accounts were £nil (2021: £10,000), all costs are borne by Autolus Limited. Consolidated audit and non-audit fees for the Autolus Group are disclosed in Autolus Therapeutics plc accounts.

### 7. 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.

### 8. 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.

### 9. Investments

	Investment in subsidiaries £'000
<b>Balance as at 31 December 2020</b>	<b>223,396</b>
Capital contribution	—
<b>Balance as at 31 December 2021</b>	<b>223,396</b>
Capital contribution	3,125
<b>Balance as at 31 December 2022</b>	<b>226,521</b>

The capital contribution of £3,125 was provided from the Company to Autolus Limited. This capital contribution relates to the proceeds arising from the execution of the BMS Agreement. No capital contribution was made by the Company during the year ended 31 December 2021.

# AUTOLUS HOLDINGS (UK) LIMITED

## Notes to the Financial Statements (continued) for the year ended 31 December 2022

The subsidiaries of Autolus Holdings (UK) Limited 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 2022, the Directors performed an impairment assessment on its investment in subsidiaries due to an impairment trigger being identified. Both a fair value less cost to sell and a value in use calculation were performed. The value in use has been derived from discounted cash flow projections factoring in similar inputs and assumptions used in the valuation of the Blackstone Collaboration Agreement liability. 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 (2021: Nil) was recognised as the recoverable amount was higher than the carrying amount of the investment in subsidiaries.

### 10. Taxation

	2022 £'000	2021 £'000
<b>For the year ended 31 December</b>		
Profit before taxation	3,125	—
Tax at the UK corporation tax rate of 19 %	594	—
Losses claimed from group companies for nil payment	(594)	—
<b>Taxation</b>	<b>—</b>	<b>—</b>

The U.K's government announced and enacted an increase in the corporation tax rate from 19% to 25% effective from 1 April 2023. The Company has no deferred tax assets or liabilities.

### 11. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
<b>As at 31 December</b>		
Amounts owed to group undertakings	21	21
<b>Total creditors: amounts falling due within one year</b>	<b>21</b>	<b>21</b>

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

# AUTOLUS HOLDINGS (UK) LIMITED

## Notes to the Financial Statements (continued) for the year ended 31 December 2022

### 12. Share Capital

As at 31 December 2022, the Company are authorised to issue up to 1,000 ordinary shares or rights over ordinary shares, of which all shares were fully paid. (2021: 1000 ordinary shares)

	Ordinary Shares	
	No.	Total
Share capital	1,000	£1,000
<b>At 31 December 2022 and 2021</b>	<b>1,000</b>	<b>£1,000</b>

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.

### 13. 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.

### 14. Events after the balance sheet date

In January 2023, the Company entered into a non-exclusive license agreement with Cabaletta Bio, Inc. ("Cabaletta"). The agreement allows Cabaletta to incorporate Autolus' proprietary RQR8 safety switch into a cell therapy program for the treatment of autoimmune disease, with an option for Cabaletta to incorporate the safety switch for a predetermined number of additional cell therapy programs.