



Achilles Therapeutics Reports Fourth Quarter and Year-End 2023 Financial Results and Recent Business Highlights

April 4, 2024

- Provided interim Phase I/IIa update on clonal neoantigen reactive T cells in advanced NSCLC and melanoma –
- Improved VELOS™ manufacturing process delivering higher cNeT doses –
- Protocols updated to evaluate the benefit of enhanced host conditioning, with further data expected in 2H 2024 –
- Strong cash position of \$131.5 million supports operations through 2025 –

LONDON, April 04, 2024 (GLOBE NEWSWIRE) -- Achilles Therapeutics plc (NASDAQ: ACHL), a clinical-stage biopharmaceutical company developing AI-powered precision T cell therapies targeting clonal neoantigens to treat solid tumors, today announced its financial results for the fourth quarter and year-ended December 31, 2023, and recent business highlights.

"In 2023, we made important progress on the optimization of our VELOS™ manufacturing process with a significant improvement in cNeT doses delivered and are developing our understanding of the relationship between host conditioning and the engraftment of infused cNeT. We recently shared updated safety, tolerability and translational science data from checkpoint refractory patients that continue to be encouraging and reveal important mechanistic learnings about the factors driving durable T cell engraftment and the impact of immune evasion mechanisms at an antigen level. These learnings will inform the development of cNeT and related neoantigen vaccine and TCR-T therapies," said **Dr Iraj Ali, Chief Executive Officer of Achilles Therapeutics**. "Looking ahead to 2024, we will evaluate cNeT persistence and clinical activity in patients with enhanced host conditioning, and we plan to report a meaningful data update in the second half of 2024. Our financial position remains strong with more than \$131 million in cash, which supports operations through 2025, including the completion of the ongoing Phase I/IIa trials."

2023 and Year-to-Date 2024 Clinical Highlights

- Provided an interim Phase I/IIa update on clonal neoantigen reactive T cells in advanced NSCLC and melanoma from 18 new patients, highlighting improved doses from the VELOS™ manufacturing process and a favorable tolerability profile
- The VELOS™ manufacturing process delivered ~10-fold improvement in the median cNeT dose (172 million) across the 18 patients in the update, with 10 products over 100 million cNeT and five over one billion cNeT
- First patients dosed in CHIRON and THETIS with enhanced host conditioning to evaluate the benefit of increased lymphodepletion intensity and IL-2 dosing aligned to standard TIL therapy, with additional meaningful data expected in the fourth quarter of 2024
- Continued development and improvements of the PELEUS™ clonal neoantigen prediction platform

2023 and Year-to-Date 2024 Corporate Highlights

- Publication in Nature Cancer from researchers affiliated with Achilles and the DECOD-Ag consortium outlined the vast potential of neoantigen immunogenicity prediction
- neoRanker™, a new AI-enabled neoantigen immunogenicity ranking module of PELEUS™, outperformed current AI and non-AI state-of-the-art methods for neoantigen immunogenicity prediction
- U.S. patent 11,634,773 granted covering treatment with an immunotherapy that targets a neoantigen predicted to be presented by a human leukocyte antigen (HLA) allele that has not been lost in a tumor, where loss of HLA alleles is determined using a proprietary sequence-based method
- Regained compliance with the minimum bid price requirement of Nasdaq Listing Rule 5450(a)(1) on March 1, 2024, as confirmed by a written notice received from the Listing Qualifications Department of The Nasdaq Stock Market on March 4, 2024

Financial Highlights

- **Cash and cash equivalents:** Cash and cash equivalents were \$131.5 million as of December 31, 2023, as compared to \$173.3 million as of December 31, 2022. The Company anticipates that its cash and cash equivalents are sufficient to fund its planned operations through 2025.
- **Research and development (R&D) expenses:** R&D expenses were \$15.9 million for the fourth quarter ended December 31, 2023, a decrease of \$3.0 million compared to \$18.9 million for the fourth quarter ended December 31, 2022. R&D expenses were \$58.2 million for the year ended December 31, 2023, an increase of \$0.9 million compared to \$57.3 million

for the year ended December 31, 2022. The increase was primarily driven by an increased focus on the ongoing clinical trials.

- **General and administrative (G&A) expenses:** G&A expenses were \$3.6 million for the fourth quarter ended December 31, 2023, a decrease of \$0.4 million compared to \$4.0 million for December 31, 2022. G&A expenses were \$17.1 million for the year ended December 31, 2023, a decrease of \$4.0 million compared to the \$21.1 million for the year ended December 31, 2022. This decrease was primarily driven by lower personnel costs and lower legal and professional fees.
- **Net loss:** Net loss for the fourth quarter ended December 31, 2023 was \$18.6 million or \$0.46 per share compared to \$24.1 million or \$0.61 per share for the fourth quarter ended December 31, 2022. Net loss for the year ended December 31, 2023 was \$69.7 million or \$1.74 per share compared to \$71.2 million or \$1.82 per share for the year ended December 31, 2022.

2024 Focus and Upcoming Events

- **Clinical Data:** Report clinical activity and translational science data from patients in CHIRON and THETIS Cohort C, evaluating the benefit of enhanced host conditioning, with a meaningful data update expected in 2H 2024
- **Translational Science:** Leverage the Company's world-class translational science platform to define the features associated with clinical response and to pursue rational design of the final cNeT product
- **Clinical Activity:** Drive additional confirmed responses in CHIRON and THETIS patients on cNeT therapy by delivering higher cNeT doses with enhanced host conditioning
- **Manufacturing Development:** Continue VELOS™ and PELEUS™ development to optimize cNeT dose and functionality

Achilles will participate in the following upcoming conferences. Additional details will be available in the [Events & Presentations](#) section of the Company's website:

- Immuno-Oncology Summit Europe, April 23 - 24, 2024, London
- LSX World Congress, April 29 - 30, 2024, London
- Chardan's 8th Annual Cell Therapy Manufacturing Summit, April 29, 2024, Virtual

About Achilles Therapeutics

Achilles is a clinical-stage biopharmaceutical company developing AI-powered precision T cell therapies targeting clonal neoantigens: protein markers unique to the individual that are expressed on the surface of every cancer cell. The Company has two ongoing Phase I/IIa trials, the CHIRON trial in patients with advanced non-small cell lung cancer (NSCLC) and the THETIS trial in patients with recurrent or metastatic melanoma. Achilles uses DNA sequencing data from each patient, together with its proprietary PELEUS™ bioinformatics platform, to identify clonal neoantigens specific to that patient, and then develop precision T cell-based product candidates specifically targeting those clonal neoantigens.

Forward Looking Statements

This press release contains express or implied forward-looking statements that are based on our management's belief and assumptions and on information currently available to our management. Forward-looking statements in this press release include, but are not limited to, statements regarding the timing of the Company's clinical and translational data updates and the Company's beliefs about recent data updates, and expectations related to the Company's operating expenses and capital expense requirements. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future operational or financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The forward-looking statements in this press release represent our views as of the date of this press release. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. You should therefore not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this press release.

For further information, please contact:

Investors:

Meru Advisors

Lee M. Stern

lstern@meruadvisors.com

Media:

ICR Consilium

Sukaina Virji, Tracy Cheung, Emmalee Hoppe

+44 (0) 203 709 5000

achillestx@consilium-comms.com

ACHILLES THERAPEUTICS PLC Consolidated Balance Sheets

(in thousands, except share and per share amounts)
(expressed in U.S. Dollars, unless otherwise stated)

	December 31, 2023	December 31, 2022
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 131,539	\$ 173,338
Prepaid expenses and other current assets	14,094	23,242
Total current assets	<u>145,633</u>	<u>196,580</u>
Property and equipment, net	9,171	12,399
Operating lease right of use assets	4,372	8,081
Deferred tax assets	41	251
Restricted cash	33	33
Other assets	2,206	3,014
Total non-current assets	<u>15,823</u>	<u>23,778</u>
Total assets	<u>\$ 161,456</u>	<u>\$ 220,358</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 5,629	\$ 5,187
Income taxes payable	-	326
Accrued expenses and other liabilities	7,828	8,292
Operating lease liabilities - current	3,539	4,188
Total current liabilities	<u>16,996</u>	<u>17,993</u>
NON-CURRENT LIABILITIES:		
Operating lease liabilities - non-current	1,076	4,388
Other long-term liability	1,015	933
Total non-current liabilities	<u>2,091</u>	<u>5,321</u>
Total liabilities	<u>19,087</u>	<u>23,314</u>
Commitments and contingencies		
SHAREHOLDERS' EQUITY:		
Ordinary shares, £0.001 par value; 41,082,948 and 40,932,727 shares authorized, issued and outstanding at December 31, 2023 and December 31, 2022, respectively	54	54
Deferred shares, £92,452.00 par value, one share authorized, issued and outstanding at December 31, 2023 and December 31, 2022, respectively	128	128
Additional paid in capital	415,210	408,844
Accumulated other comprehensive income	(13,071)	(21,695)
Accumulated deficit	(259,952)	(190,287)
Total shareholders' equity	<u>142,369</u>	<u>197,044</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 161,456</u>	<u>\$ 220,358</u>

ACHILLES THERAPEUTICS PLC
Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except share and per share amounts)
(expressed in U.S. Dollars, unless otherwise stated)

	Three Months Ended		Twelve Months Ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
OPERATING EXPENSES:				
Research and development	\$ 15,892	\$ 18,876	\$ 58,246	\$ 57,263
General and administrative	3,622	3,958	17,009	21,120
Total operating expenses	<u>19,914</u>	<u>22,834</u>	<u>75,255</u>	<u>78,383</u>
LOSS FROM OPERATIONS:	(19,914)	(22,834)	(75,255)	(78,383)
OTHER INCOME (EXPENSE), NET:				
Other income (expense)	1,389	(1,181)	6,081	7,318
Total other income (expense), net	<u>1,389</u>	<u>(1,181)</u>	<u>6,081</u>	<u>7,318</u>
Loss before income taxes	(18,125)	(24,015)	(69,174)	(71,065)

Provision for income taxes	<u>(505)</u>	<u>(41)</u>	<u>(491)</u>	<u>(111)</u>
Net loss	<u>(18,630)</u>	<u>(24,056)</u>	<u>(69,665)</u>	<u>(71,176)</u>
Other comprehensive (loss) income:				
Foreign exchange translation adjustment	<u>6,119</u>	<u>16,795</u>	<u>8,624</u>	<u>(28,331)</u>
Comprehensive loss	\$ (12,511)	\$ (7,261)	\$ (61,041)	\$ (99,507)
Net loss per share attributable to ordinary shareholders —basic and diluted	\$ (0.46)	\$ (0.61)	\$ (1.74)	\$ (1.82)
Weighted average ordinary shares outstanding—basic and diluted	<u>40,187,152</u>	<u>39,518,910</u>	<u>39,973,059</u>	<u>39,139,693</u>