

## Quarterly Update

### ***Building momentum across Syncona's nine life science companies***

### ***Syncona today hosts Capital Markets Day for analysts and investors***

4 February 2020

Syncona Ltd, a leading healthcare company focused on founding, building and funding a portfolio of global leaders in life science, today issues its quarterly update covering the period from 1 October to 31 December 2019.

Syncona has built a portfolio of nine highly innovative companies, each addressing areas of significant unmet need for patients. During the period, the Company has expanded, invested in and advanced its portfolio.

#### **Funding growth in our portfolio:**

- Committed \$80m (£61.1 million) to Freeline in a Series C financing, with the first tranche of \$40 million enabling Freeline to expand its team, continue to develop its proprietary platform, generate further data in its clinical programmes and progress its pipeline; Syncona has a 79 per cent holding in Freeline

#### **Building a new Syncona company:**

- Led a £32.0 million Series B financing in Azeria Therapeutics with a £29.5 million Syncona commitment, of which the first tranche was £6.5 million; Syncona has a 61 per cent ownership stake in Azeria<sup>1</sup>
- Opportunity to address a significant unmet need with lead programme in oestrogen receptor positive breast cancer patients and to build a world class pioneer factor oncology company

#### **Clinical progress with further data reported:**

- Encouraging data published by Autolus at the 61st American Society of Haematology (ASH) Annual Meeting in December 2019:
  - AUTO1 adult ALL showing a favourable safety profile, high level of clinical activity and potential for durable responses; plans to initiate a pivotal programme in first half of CY2020
  - AUTO3 demonstrating the potential for clinical efficacy and differentiation on safety, however at an early stage and further data required to establish overall differentiation in the product profile; decision for triggering Phase 2 initiation planned for mid-2020
- Freeline continues to progress its two clinical programmes in Haemophilia B and Fabry's Disease; plans for four clinical stage programmes within 24 months (Haemophilia A and Gaucher)
- Gyroscope continues to progress lead investigational gene therapy (GT005) in its ongoing Phase 1/2 trial and advance the development of its second-generation Orbit Subretinal Delivery System
- Achilles commenced patient enrolment in its non-small cell lung cancer (NSCLC) and melanoma programmes

#### **Financial Performance:**

- Net assets of £1,340.0 million, 199.4p per share, a NAV total return of 0.2 per cent in the period, and an (7.0) per cent total return over the nine months from 31 March 2019
- Life science portfolio valued at £516.6 million (£481.3m Sept 2019), a total return of (0.8) per cent in the quarter and (12.5) per cent over the nine months from 31 March 2019
- £39.9 million of capital deployed in the quarter, £167.1 million of capital deployed over the nine months from 31 March 2019
- Capital base of £823.4 million at 31 December 2019 (£855.5m Sept 2019)

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<sup>1</sup> At the point full current commitments are invested. Ownership stake on a look through basis including Syncona's investment in the CRT Pioneer Fund is 75 per cent at the point full current commitments are invested.

## Post period end:

*Freeline announced appointment of new Chief Executive and further data to be presented in FLT180a*

Freeline has today announced the appointment of Theresa Heggie as Chief Executive. Theresa is an accomplished executive with significant experience in the commercialisation of treatments for rare diseases. Prior to joining Freeline, she held senior executive roles at leading global rare disease companies including Shire, and Alnylam Pharmaceuticals, where she served as SVP, Head of Central and Eastern Europe, Middle East and Africa.

Freeline will be disclosing further data from its Phase 1/2 B-AMAZE trial investigating a novel gene therapy, FLT180a, for Haemophilia B on Friday 7 February 2020 at 14:00-15:00 GMT at the 13th Annual Congress of the European Association for Haemophilia and Allied Disorders (EAHAD). Syncona will provide the details of this data via an RNS announcement. Previously, Freeline has disclosed 66- and 74-week data for the first cohort of two patients who were treated with the lowest study dose (4.5x10<sup>11</sup>vg/kg).

*The Hot Topics session details are available on the EAHAD website at <https://eahadcongress.com/programme/programme/#friday>.*

*Title: Phase 1/2 interim data from B-AMAZE study of adeno associated virus (AAV) gene therapy (FLT180a) confirms progress towards achieving Factor IX levels in the normal range for patients with severe or moderately severe haemophilia B*

*Autolus closed \$80 million public offering and reported additional encouraging data in AUTO3*

In January, Autolus completed a follow-on financing raising net proceeds of approximately \$72.4 million, and with Syncona investing \$15.0 million (£11.4 million<sup>2</sup>). Following the offering Syncona remains the largest shareholder in Autolus with a 28.3 per cent ownership stake. The financing will enable Autolus to develop its AUTO1 adult ALL programme through its Phase 2 trial and develop its next generation of T cell therapies.

Autolus reported additional encouraging data in its AUTO3 DLBCL programme at the EHA conference and expects to report further data from this programme in H2 2020, which will enable the business to make its decision on further clinical development, including Phase 2 initiation.

*Appointment of Entrepreneur in Residence:*

Lorenz Mayr has been appointed Entrepreneur in Residence from 1 January 2020. In this role, he will have a particular focus on sourcing new Syncona companies and developing and driving portfolio company business plans and strategy.

Lorenz has 25 years of experience in the biotech and pharmaceutical industry, spanning drug discovery and clinical development in areas including molecular biology, antibodies, cell and gene therapy, gene editing and molecular imaging. Prior joining Syncona Lorenz was Chief Technology Officer for GE Healthcare and has previously held senior leadership roles at Astra Zeneca, Novartis and Bayer. He is a lecturer for Biochemistry at the Martin-Luther University, Germany, and is member of several Scientific Advisory Boards.

**Martin Murphy, CEO, Syncona Investment Management Limited, said:** “We have had a productive third quarter, funding Freeline as it continues to scale and leading a financing in a new Syncona company, Azeria, where there is an exciting opportunity to build a world-class oncology company. We have also seen strong clinical progress across the portfolio with Autolus, Freeline and Gyroscope progressing seven clinical trials.

“We continue to take a hands-on approach to capitalise on the significant opportunities ahead. We have a strong pipeline of opportunities to found new companies and will ambitiously fund our growing portfolio.

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<sup>2</sup> As at exchange rates on 22 January 2020

“We are delighted that Lorenz has joined Syncona. He will be a valuable addition to the team, and we look forward to working with him as we found, build and fund the next generation of healthcare companies seeking to deliver transformational treatments to patients.”

### Syncona Capital Markets Day

Syncona is hosting an analyst and investor Capital Markets Day today, 4 February 2020, in Central London, where we will be discussing Syncona’s strategy and portfolio companies as well as hosting a number of panel discussions. No new material information will be disclosed. For further information please contact [events@synconaltd.com](mailto:events@synconaltd.com).

The event will be webcast via the Investor Relations section of the Syncona website [www.synconaltd.com](http://www.synconaltd.com) during the event, with a playback facility and a copy of the presentation available following the event. Webcast details are contained at the bottom of this release.

### Valuation movements in the quarter:

| Company                                 | 30 Sept 2019 Value (£m) | Net investment in period (£m) | Valuation change (ex. FX movement) (£m) | FX movement (£m) | 31 Dec 2019 value (£m) | % NAV       | Fair value <sup>3</sup> basis        | Fully diluted ownership stake (%) | Focus area     |
|---|-------------------------|-------------------------------|---|------------------|------------------------|-------------|--------------------------------------|-----------------------------------|----------------|
| <b>Life science portfolio companies</b> |                         |                               |   |                  |                        |             |                                      |                                   |                |
| <b>Clinical</b>                         |                         |                               |   |                  |                        |             |                                      |                                   |                |
| Autolus                                 | 147.4                   | -                             | 9.3                                     | (11.5)           | 145.2                  | 10.8        | Quoted                               | 29                                | Cell therapy   |
| Freeline                                | 118.5                   | 30.5                          | -                                       | (0.4)            | 148.6                  | 11.1        | Cost                                 | 79                                | Gene therapy   |
| Gyroscope                               | 56.0                    | -                             | -                                       | -                | 56.0                   | 4.2         | Cost                                 | 80                                | Gene therapy   |
| <b>Pre-clinical</b>                     |                         |                               |   |                  |                        |             |                                      |                                   |                |
| Achilles                                | 72.4                    | -                             | -                                       | -                | 72.4                   | 5.4         | Recent financing (within 0-6 months) | 44                                | Cell therapy   |
| SwanBio                                 | 18.7                    | -                             | -                                       | (1.4)            | 17.3                   | 1.3         | Cost                                 | 70                                | Gene therapy   |
| OMASS                                   | 9.8                     | -                             | -                                       | -                | 9.8                    | 0.7         | Cost                                 | 46                                | Small molecule |
| Anaveon                                 | 3.9                     | 2.2                           | -                                       | (0.1)            | 6.0                    | 0.5         | Cost                                 | 51                                | Biologics      |
| Quell                                   | 8.3                     | -                             | -                                       | -                | 8.3                    | 0.6         | Cost                                 | 69                                | Cell Therapy   |
| Azeria                                  | -                       | 6.5                           | -                                       | -                | 6.5                    | 0.5         | Cost                                 | 61                                | Small molecule |
| <b>Life Science Investments</b>         |                         |                               |   |                  |                        |             |                                      |                                   |                |
| CRT Pioneer Fund                        | 39.1                    | 0.7                           | -                                       | -                | 39.8                   | 3.0         | Adj. Third-party                     | N/A                               |                |
| CEGX                                    | 3.9                     | -                             | -                                       | -                | 3.9                    | 0.3         | Adj. PRI                             | 9                                 |                |
| Adaptimmune                             | 1.9                     | -                             | (0.4)                                   | (0.1)            | 1.4                    | 0.1         | Quoted                               | 0                                 |                |
| Syncona Collaborations                  | 1.4                     | -                             | -                                       | -                | 1.4                    | 0.1         | Cost                                 | 100                               |                |
| <b>TOTAL</b>                            | <b>481.3</b>            | <b>39.9</b>                   | <b>8.9</b>                              | <b>(13.5)</b>    | <b>516.6</b>           | <b>38.6</b> |                                      |                                   |                |

[ENDS]

<sup>3</sup> For the purposes of fair value, cost is equivalent to calibrated cost.

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**Syncona Capital Markets Day webcast details:**

The webcast will be accessible via the Syncona website and <https://webcast.openbriefing.com/syncona-cmd2020/> commencing at 1:10pm on 4 February 2020.

**About Syncona:**

Syncona is a leading FTSE250 healthcare company focused on founding, building and funding global leaders in life science. Our vision is to deliver transformational treatments to patients in truly innovative areas of healthcare while generating superior returns for shareholders.

We seek to partner with the best, brightest and most ambitious minds in science to build globally competitive businesses. We take a long-term view, underpinned by a deep pool of capital, and are established leaders in gene and cell therapy. We focus on delivering dramatic efficacy for patients in areas of high unmet need.

*Copies of this press release, a company results presentation, and other corporate information can be found on the company website at: [www.synconaltd.com](http://www.synconaltd.com)*

*Forward-looking statements - this announcement contains certain forward-looking statements with respect to the portfolio of investments of Syncona Limited. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may or may not occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. In particular, many companies in the Syncona Limited portfolio are conducting scientific research and clinical trials where the outcome is inherently uncertain and there is significant risk of negative results or adverse events arising. In addition, many companies in the Syncona Limited portfolio have yet to commercialise a product and their ability to do so may be affected by operational, commercial and other risks.*