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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 6-K/A**

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**REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the Month of June 2023

Commission File Number: 001-38547

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**Autolus Therapeutics plc**  
(Translation of registrant's name into English)

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**The MediaWorks  
191 Wood Lane  
London W12 7FP  
United Kingdom**  
(Address of principal executive office)

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:  
x Form 20-F    ☐ Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

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**EXPLANATORY NOTE**

Autolus Therapeutics plc is filing this Amendment No. 1 on Form 6-K/A (this "Amendment No. 1") to its report on Form 6-K, dated June 6, 2023 (the "Original 6-K"), to correct hyperlinks on Exhibits 99.1 and 99.2 within the Exhibit Index. Except as specifically described in this explanatory note, this Amendment No. 1 does not amend, modify or update any disclosures contained in the Original 6-K, including with respect to any events occurring after the furnishing of the Original 6-K.

## EXHIBIT INDEX

Exhibit No.	Description
<a href="#">99.1</a>	Annual Report and Accounts for the year ended December 31, 2022
<a href="#">99.2</a>	Notice of Annual General Meeting

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### **Autolus Therapeutics plc**

Date: July 6, 2022

By: /s/ Christian Itin  
Name Christian Itin, Ph.D.  
Title: Chief Executive Officer

Registered Number 11185179 (England & Wales)

Annual Report and Accounts  
for the year ended 31 December 2022  
for  
Autolus Therapeutics plc

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# AUTOLUS THERAPEUTICS PLC

## Introduction and Contents

Autolus Therapeutics plc (the “Company”, “Group” or “Parent Company”) is a public limited company incorporated under the laws of England and Wales and is listed on the Nasdaq Global Select Market (“NASDAQ”). The Company is a “quoted company” for the purposes of the Companies Act 2006 (the “Companies Act”).

This document (the “Annual Report and Accounts”) is comprised of the reports and consolidated financial statements listed below and the Annual Report on Form 20-F (the “Form 20-F”) filed with the United States Securities and Exchange Commission (the “SEC”) on 7 March 2023. For purposes of this Annual Report and Accounts, the exhibits to the Form 20-F are not incorporated by reference.

In this Annual Report and Accounts, unless the context otherwise indicates, references to the “Group”, “Autolus”, “we”, “us” or “our” include the Company and its wholly-owned subsidiaries.

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# AUTOLUS THERAPEUTICS PLC

## Company Information

Directors	John Johnson, Chairman of the Board of Directors Christian Itin, Executive Director and CEO Joseph Anderson Linda Bain John Berriman Cynthia Butitta Kapil Dhingra Martin Murphy William Young
Secretary	Alex Driggs
Registered Office	The MediaWorks 191 Wood Lane London W12 7FP United Kingdom
Registered Number	11185179
Auditors	Ernst & Young LLP R+ Blagrove Street Reading RG1 1AZ United Kingdom
Bankers	Barclays Bank 1 Church Street Peterborough PE1 1XE United Kingdom
Solicitors	Cooley (UK) LLP 22 Bishopsgate London EC2N 4BQ United Kingdom

# **AUTOLUS THERAPEUTICS PLC**

## **Strategic Report**

**For the year ended ended 31 December 2022**

### **Strategic Review Note**

The board of directors ("Board" or "Directors") present their strategic report on the affairs of the Group (the "Strategic Report"), together with the financial statements for the year ended 31 December 2022.

### **Principal Activity**

We are a biopharmaceutical company developing next generation programmed T cell therapies for the treatment of cancer. Using our broad suite of proprietary and modular T cell programming technologies, we are engineering precisely targeted, controlled and highly active T cell therapies that are designed to better recognise cancer cells, break down their defence mechanisms and eliminate these cells. We believe our programmed T cell therapies have the potential to be best-in-class and to offer cancer patients substantial benefits over the existing standard of care, including the potential for cure in some patients.

We are registered with the Registrar of Companies in England and Wales under number 11185179, and our registered office is at The MediaWorks, 191 Wood Lane, White City, London W12 7FP, United Kingdom.

### **Development of the Group**

Autolus Therapeutics plc is a public limited company under the laws of England and Wales, originally incorporated under the laws of England and Wales in February 2018 as a private limited company called Autolus Therapeutics Limited. Autolus Limited was originally incorporated under the laws of England and Wales in July 2014. Pursuant to the terms of our corporate reorganisation, the shareholders of Autolus Limited exchanged each of the shares held by them in Autolus Limited for the same number and class of newly issued shares of Autolus Therapeutics Limited and, as a result, Autolus Limited became a wholly owned subsidiary of Autolus Therapeutics Limited. On 18 June 2018, Autolus Therapeutics Limited re-registered as a public limited company and was renamed Autolus Therapeutics plc. On 22 June 2018, our outstanding preferred and ordinary shares were converted into a single class of ordinary shares and various classes of deferred shares, and we completed our initial public offering of American Depositary Shares ("ADS"), each representing one of our ordinary shares, on NASDAQ. On 25 April 2019, the Group changed its accounting reference date from 30 September to 31 December.

The Company is not and has not been listed or had any securities listed in the U.K. or the European Union. To meet US reporting requirements, the Group is required to file periodic reports, including an annual report on Form 20-F ("20-F") with the United States Securities and Exchange Commission ("SEC"). The consolidated financial statements included in the 20-F are prepared in accordance with accounting principles generally accepted in the United States ("US GAAP"). These US GAAP consolidated financial statements have a reporting currency of U.S. Dollars.

To meet United Kingdom ("UK") statutory reporting requirements, the Group is required to file this Annual Report and Accounts with Companies House in the U.K. The consolidated financial statements, which are included in this Annual Report and Accounts, are prepared in accordance with UK-adopted International Financial Reporting Standards ("IFRS") using the presentation currency of Pound sterling. Due to the fact that much of the information required for the 20-F, which is filed with the SEC, and Annual Report and Accounts are the same, where the requirements of the Strategic Report and the Directors' Report in accordance with the Companies Act have been met in the 20-F, details of this have been provided in table below and referenced to the 20-F accordingly. Additional requirements which are not met by the 20-F have been disclosed separately in each of the sections of this Annual Report and Accounts. The prior year's 20-F, which includes a full set of financial statements for the comparative period of 1 January 2021 to 31 December 2021, was filed with the SEC on 10 March 2022. The current year 20-F, which includes a full set of financial statements for the 12 months ending 31 December 2022, was filed with the SEC on 7 March 2023 and is included in Appendix 1.

# AUTOLUS THERAPEUTICS PLC

## Strategic Report

For the year ended 31 December 2022

The following table provides a guide to the 20-F content used for this report:

Required item in the Strategic Report	Where the information can be found in the 20-F
A fair review of the Group's business, including the use of key performance indicators ("KPI's")	<p>Part I: Item 4. Information on the Company</p> <p>Part I: Item 5. Operating and Financial Review and Prospects</p> <p>The Group has not utilised traditional KPI's as there were no product sales and no production of products for commercial sale in the twelve months ended 31 December 2022. The financial information reported in our 20-F is prepared in accordance with US GAAP and is the primary information reported to shareholders. Whilst different to the audited financial information reported in accordance with UK-adopted International Financial Reporting Standards included in this Annual Report and Accounts, we believe the information to be helpful as the Board use the US GAAP information when communicating with shareholders, other stakeholders and the market generally. Refer to the Group's financial performance in the "Finance Review" below.</p>
A description of the principal risks and uncertainties	<p>Part I: Item 3D. Risks</p> <p>A summary of the principal risks is included below under the principal risk heading on pages 10 to 11.</p>
Description of the Group's strategy	<p>Part I: Item 4B. Business overview, and in particular:</p> <ul style="list-style-type: none"> <li>– Development Strategy for Adult ALL</li> <li>– Clinical Development Strategy for AUTO4</li> <li>– Clinical Development Strategy of AUTO6NG</li> <li>– Clinical Development Strategy of AUTO8</li> <li>– Manufacture and Delivery of Programmed T Cell Therapies to Patients</li> <li>– Commercialization</li> <li>– Intellectual Property</li> <li>– Government Regulation and Product Approval</li> </ul>
Description of the Group's business model	<p>Part I: Item 4B. Business Overview</p> <p>Part I: Item 4C. Organizational Structure</p>
Main trends and factors likely to affect future development, performance and position of the Group's business	<p>Part I: Item 4B. Business Overview</p> <p>Part I: Item 5A. Operating Results</p> <p>Part I: Item 5B. Liquidity and Capital Resources</p> <p>See also the Financial review section below</p>
Finance Review	See disclosure below
Corporate governance	Part I: Item 6C. Composition of Our Board of Directors
Information on environmental, diversity, equality, and human rights	See disclosures below
Principal risks and mitigations related to COVID-19	See disclosures below

# AUTOLUS THERAPEUTICS PLC

## Strategic Report

For the year ended 31 December 2022

### Financial review

Since our inception in July 2014, we have devoted substantially all our resources to conducting preclinical studies and clinical trials, organizing and staffing our company, business planning, raising capital and establishing our intellectual property portfolio. We do not have any products approved for sale and have not generated any revenue from product sales. We have funded our operations to date primarily with sales of our equity securities, reimbursable U.K. research and development tax credits and receipts from the U.K. government, and more recently through strategic collaboration agreements.

Since our inception, we have incurred significant operating losses. For the years ended 31 December 2022 and 2021, we incurred net losses of £117.4 million and £102.3 million, respectively. As of 31 December 2022, we had a retained loss of £282.3 million.

License revenue increased to £5.3 million for the year ended 31 December 2022, primarily due to a third party, Moderna Therapeutics, “Moderna”, exercising its option to license certain of our intellectual property, which triggered an option exercise fee, and our entry into a license agreement with Bristol Myers Squibb, “BMS”, which included recognition of a nonrefundable upfront payment. During the year ended 31 December 2021, we recognized \$1.1 million of license revenue relating to the grant of the license to Moderna.

General and administrative expenses increased by £4.7 million to £28.2 million for the year ended 31 December 2022 from £23.5 million for the year ended 31 December 2021 primarily due to:

- an increase of £4.6 million, in salaries and other employment costs including share-based compensation expenses, is mainly driven by an increase in the average number of employees engaged in general and administrative activities;
- a net increase of £0.6 million in legal fees and professional consulting fees in relation to our general and administrative activities, which is offset against lower cost for director and officer insurance;
- a decrease of £0.2 million in other expenses;
- a decrease of £0.2 million in facilities costs related to the termination of certain lease agreements in the prior year; and
- a decrease of £0.1 million in depreciation and amortization related to property and equipment and intangible assets.

Research and development expenses increased by £16.5 million to £112.6 million for the year ended 31 December 2022 from £96.1 million for the year ended 31 December 2021 primarily due to:

- an increase of £7.0 million in clinical costs and manufacturing costs primarily relating to our obe-cel clinical product candidate,
- an increase of £4.2 million in salaries and other employment costs including share-based compensation expenses, is mainly driven by an increase in the average number of employees engaged in research and development activities;
- an increase of £3.4 million in legal fees and professional consulting fees in relation to our research and development activities,
- an increase of £1.3 million in other expenses including travel and recruitment costs,
- an increase of £0.8 million related to the development of our information technology infrastructure and support for information systems related to the conduct of clinical trials and manufacturing operations,
- an increase of £0.4 million in depreciation and amortization related to property and equipment and intangible assets,
- an increase of 0.4 million in cell logistics costs and office expenses,
- a decrease of £1.0 million in facilities costs related to the termination and closure of our US manufacturing facility in 2021 and a shift in our overall manufacturing strategy,

# AUTOLUS THERAPEUTICS PLC

## Strategic Report

For the year ended 31 December 2022

Other operating income decreased by £4.3 million to £0.4 million for the year ended 31 December 2022 from £4.7 million for the year ended 31 December 2021 primarily due to decreases in grant income, termination fee arising from termination of lease and gains on termination of leases.

Other operating expense has decreased by £0.7 million to £1.6 million for the year ended 31 December 2022 from £2.3 million for the year ended 31 December 2021 primarily due to higher disposals of property and equipment linked to the lease terminations in 2021 compared to 2022. During the year ended 31 December 2022 we disposed of intangibles assets amounting to £1.2 million. There were disposals of intangible assets during the year ended 31 December 2021.

Finance income increased to £8.7 million for the year ended 31 December 2022, as compared to £0.9 million for the year ended 31 December 2021. The increase in finance income of £7.8 million primarily relates to:

- an increase of £4.8 million in the fair value adjustment relating to our warrant derivative liability
- an increase of £1.7 million in foreign exchange gains compared to 2021
- the increase of £1.3 million due to an increase in interest rates on our interest-bearing bank accounts and short-term investments during the year ended 31 December 2022 as compared to the prior year,

Finance expense increased to £8.6 million for the year ended 31 December 2022 as compared to £3.3 million for the year ended 31 December 2021. The increase of £5.3 million in finance expenses is primarily relates to:

- an increase of £6.7 million in the interest expense and cumulative catch-up adjustment relating to the liability for future royalties and sales milestones, net. The increase in interest expense for the year ended 31 December 2022 is primarily driven by the full year of the liability related to the Blackstone collaboration in 2022 compared to a partial year liability in 2021.
- offset by decreases in foreign exchange losses and interest expense arising on operating lease liabilities of £1.4 million aggregate during the year ended 31 December 2022 compared to 2021.

Income tax benefit increased to £19.3 million for the year ended 31 December 2022 from £16.2 million for the year ended 31 December 2021 due to an increase in qualifying research and development expenditures for the period.

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 commercialisation of any approved product candidates. In addition, if we obtain marketing approval for any of our product candidates, we expect to incur significant commercialisation 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. Furthermore, we have incurred and expect to continue to incur, additional costs associated with operating as a public company, including significant legal, accounting, investor relations and other expenses that we did not incur as a private company.

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 expect to finance our operations through the sale of equity, debt 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 commercialisation of one or more of our drug candidates or delay our pursuit of potential in-licenses or acquisitions.

### Going Concern

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.

# AUTOLUS THERAPEUTICS PLC

## Strategic Report

For the year ended 31 December 2022

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 June 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 June 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.

Consequently, the Board concluded that with its existing cash and cash equivalents of £316.3 million, the Group can fund its operations until 30 June 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.

### Corporate governance; Section 172(1) Statement

Section 172 of the Companies Act 2006 requires directors to act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of shareholders as a whole, with regard (amongst other matters) to:

- the likely consequences of any decision in the long-term;
- the interests of the Group’s employees;
- the need to foster the Group’s business relationships with suppliers, customers and others;
- the impact of the Group’s operations on the community and the environment;
- the desirability of the Group maintaining a reputation for high standards of business conduct; and
- the need to act fairly towards all shareholders of the Group.

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



# AUTOLUS THERAPEUTICS PLC

## Strategic Report

For the year ended 31 December 2022

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

Throughout the year, our Board embodied these key values in the performance of their duties, by considering the interests of a range of stakeholders and tailoring their recommendations accordingly. For example, in connection with the approval of the underwritten public offering we completed in December 2022, the Board evaluated, amongst other matters, the dilutive effects of the sale on existing shareholders, the long-term benefits to shareholders of securing the Group's cash runway through our planned commercial launch of obe-cel, and the positive impact on potential patients at both the clinical and, should the product be approved, commercial stages.

When designing and, in collaboration with the building owner, constructing a new, state-of-the-art manufacturing facility in the Stevenage, UK area—referred to as the Nucleus—the Board considered input from our interactions with local government officials, representing one of the communities where we operate, and employees.

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

### Environmental matters

The Group leases all its facilities, manufactures its own products for clinical studies, and stores manufacturing consumable products. The Group also complies with all applicable environmental laws and regulations. We take positive steps to reduce our carbon footprint, where possible, and make efforts to be a responsible member of the communities in which we work. For a full report on the carbon emissions for the Group please see "Carbon Emissions" in the Directors' Report.

Climate change has been identified as an emerging risk area requiring greater analysis. The Board are considering the introduction of a sustainability strategy which will include climate change. The further analysis of climate change will take into account potential impact on our business and supply chain. In the meantime, the Group is taking steps towards greater sustainability, including by seeking BREEAM EXCELLENT certification for the Nucleus facility. BREEAM (Building Research Establishment Environmental Assessment Method) is used to specify and measure the sustainability performance of buildings, ensuring that projects meet sustainability goals and continue to perform optimally over time.

### Building a healthy, high performing organisation

During 2022, we continued the support we provide to employees in our ambition to build a healthy, high performing organisation consistent with our purpose and values. Our commitment is to the development of individuals, our teams and the organisation as a whole. Initiatives conducted during 2022 included the following:

- **Individual Development:** In 2021 we delivered 56 virtual webinars with 505 attendances and in 2022 we extended this programme, delivering 29 webinars with 285 attendances. In 2022 we also launched the Management 101 programme, a series of 90 minute workshops teaching basic management skills, delivering 9 modules with 126 attendances. In March 2021 we launched our first Leadership Development & Management programme, delivering a further 4 programmes in the second half of the year, complemented by 51 coaching assignments. Building on this success, we delivered a further 3 programmes in 2022 and launched our face to face VP programme. We also increased the targeted use of online LinkedIn learning. Individual learning was enhanced through mentoring (16 assignments) and one to one coaching (35 assignments). During 2021 we delivered a suite of resilience webinars to help all employees develop personal strategies to cope with the challenges of the changes.
- **Team Development:** Having invested in internal resilience coaching capability we started delivering team resilience sessions in 2021 using the Workplace Resilience & Well-being (WRAW) psychometric instrument. We worked extensively in developing team performance, delivering 8 team development sessions (including 4 resilient team sessions) in 2021 and 4 Firo-B and 10 MBTi workshops in 2022. We supported the development of multiple critical teams in enhancing their effectiveness including the Development Leadership Team, AUTO 1 and the Felix IA team.



# AUTOLUS THERAPEUTICS PLC

## Strategic Report

For the year ended 31 December 2022

- **Organisation Development:** In both December 2021 and 2022, we conducted our annual Training Needs Analysis which informs our annual training plan. We further evolved our hybrid approach to learning ensuring the right balance of face to face, virtual and on line learning options to reflect our agile way of working. The pandemic challenged personal resilience and in June 2021 we conducted an organisation-wide resilience and well-being assessment to identify pressure points, generate leader feedback and identify hotspots where support may be needed. In 2022, we reviewed the usage of the Autolus recognition platform, Mo, to identify opportunities to improve recognition and enhance engagement. This work continues as a priority in 2023.

### Diversity & Equality

Inclusion and Belonging remains a key focus for the organisation and aligns with our values of integrity and respect. The Group recognises that by valuing and promoting a culture of inclusion, it enables employees to contribute their unique perspectives and fully leverages their individual talents. This allows employees to fully engage in their work and helps generate the innovative thinking that is needed for the Group to fulfil its mission.

Our Diversity, Inclusion and Belonging employee resource group has reformed and refocused its mission to build an inclusive culture that encourages belonging, empowerment and celebrates diversity.

In addition to Diverse Individuals Celebrating Equality (D.I.C.E. our LGBTQ+ Committee) a newly formed ERG Xcellerate has formed, focusing on the development and progression of women at Autolus launched October 2022.

Our gender pay gap report has been collated and publicised which highlights the key gender statistics within our organisation, any pay or bonus disparities along with rationale or suggestions for actions to address any imbalance.

A breakdown of the employment statistics as of 31 December 2022 is as follows:

Position	Male	Female	Total
Non-executive Directors of the Group	7	2	9
Senior managers of the Group	8	1	9
All employees of the Group	220	175	395
<b>Total Employees</b>	<b>235</b>	<b>178</b>	<b>413</b>

### Anti-bribery

The Group 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 Group 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.

### Principal risks

Our business is subject to a number of risks and uncertainties, including those risks discussed at-length in the section titled "Risk Factors" of our Annual Report on Form 20-F filed with the SEC. These risks include, among others, the following:

- We have incurred significant losses in every year since our inception. We expect to continue to incur losses over the next several years and may never achieve or maintain profitability.
- Our limited operating history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.
- We will need additional funding to complete the development of our product candidates, which may not be available on acceptable terms, if at all.
- All of our product candidates are in clinical development or in preclinical development. If we are unable to advance our product candidates through clinical development, obtain regulatory approval and ultimately commercialise our product candidates, or experience significant delays in doing so, our business will be materially harmed.
- Our proprietary, next-generation T cell programming technologies, our modular approach for engineering T cells and our manufacturing platform for our programmed T cell product candidates, represent emerging approaches to cancer treatment that face significant challenges and hurdles.

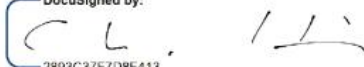
# AUTOLUS THERAPEUTICS PLC

## Strategic Report

For the year ended 31 December 2022

- Our future success is highly dependent on the regulatory approval of our current clinical-stage programmed T cell product candidates and our preclinical programs. All of our product candidates will require significant clinical or preclinical testing before we can seek regulatory approval for and launch a product commercially.
- Adverse side effects or other safety risks associated with our product candidates could delay or preclude approval, cause us to suspend or discontinue clinical trials, cause us to abandon product candidates, could limit the commercial profile of an approved label, or could result in significant negative consequences following any potential marketing approval.
- If the clinical trials of any of our product candidates fail to demonstrate safety and efficacy to the satisfaction of the FDA, the EMA or other comparable regulatory authorities, or do not otherwise produce favourable results, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialisation of our product candidates.
- We may not be able to successfully create our own manufacturing infrastructure for supply of our requirements of programmed T cell product candidates for use in clinical trials and for commercial sale.
- Our product candidates are biologics and the manufacture of our product candidates is complex and we may encounter difficulties in production, particularly with respect to process development or scaling-out of our manufacturing capabilities. If we encounter such difficulties, our ability to provide supply of our product candidates for clinical trials or our products for patients, if approved, could be delayed or stopped.
- We operate in a rapidly changing industry and face significant competition, which may result in others discovering, developing or commercialising products before or more successfully than we do.
- If we are unable to obtain and maintain patent protection for our T cell programming technologies and product candidates, or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialise technology and biologics similar or identical to ours, and our ability to successfully commercialise our technology and product candidates may be impaired.
- As an English public limited company, certain capital structure decisions will require shareholder approval, which may limit our flexibility to manage our capital structure.
- General market conditions and macroeconomic trends, including those driven by geopolitical tension, supply chain disruptions, market volatility, inflation, and fluctuations in foreign currency exchange rates, among other factors, could materially and adversely affect our business, results of operations and financial condition.
- Failure or perceived failure to comply with existing or future laws, regulations, contracts, self-regulatory schemes, standards, and other obligations related to data privacy and security (including security incidents) could harm our business. Compliance or the actual or perceived failure to comply with such obligations could increase the costs of our products, limit their use or adoption, and otherwise negatively affect our operating results and business.

Approved by the Board and signed on its behalf by:

DocuSigned by:  
  
2893C37F7D8F413...  
Christian Itin – Director and CEO

Date: 25 May 2023

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

# AUTOLUS THERAPEUTICS PLC

## Directors' Report

For the year ended 31 December 2022

The directors present their report for the year ended 31 December 2022 (the "Directors' Report").

As noted under "Development of the Group" from within the Strategic Report, where the requirements of the Directors' Report in accordance with the Companies Act have been met in the 20-F, details of this have been provided in tables and referenced to the 20-F accordingly. Additional requirements which are not met by the 20-F have been disclosed separately in this Directors' Report. The prior year's 20-F, which includes a full set of financial statements for the comparative period of 1 January 2021 to 31 December 2021, was filed with the SEC on 10 March 2022. The current year 20-F, which includes a full set of financial statements for the year ended 31 December 2022, was filed with the SEC on 7 March 2023 and is included in Appendix 1.

The following table provides a guide to the 20-F content used for this report:

Required item in the Directors' Report	Group response and where the information can be found in the 20-F, as applicable
Describe the principal activities of the Group	Part I: Item 4. Information on the Company.
Indication of likely future developments of the Group's business	Part I: Item 4B. Business Overview. Part I: Item 5A. Operating Results. Part I: Item 5B. Liquidity and Capital Resources.
The amount (if any) of recommended dividend	Part I: Item 8. Dividend Policy. Not applicable – the Directors do not recommend the payment of a dividend.
Indication of the Group's research and development activities	Part I: Item 4B. Business overview. Part I: Item 5A. Components of Our Results of Operations: Operating Expenses – Research and Development Expenses. Part I: Item 5C. Research and development, patents and licenses, etc.
Disclosure on purchases of own shares	Part III: Item 17. Consolidated Statement of Changes in Equity of the Group. Not applicable – there have been no purchases of own shares during the year ended 31 December 2022.
Important post balance sheet events requiring disclosure	Part III: Item 17 Note 20 Subsequent Events. See also Note 29 to the consolidated financial statements.
Particulars of any political donations and political expenditure	Not applicable – no political donations were made, and no political expenditure was incurred, by the Group during the year ended 31 December 2022.
Statements on any non-EU political party contribution	Not applicable – no contributions were made to any non-EU political party by the Group during the year ended 31 December 2022.
The financial risk management objectives and policies for the Group, including the policy for hedging each major type of forecasted transaction for which hedge accounting is used.	Part I: Item 5B. Liquidity and Capital Resources. Part I: Item 11. Quantitative and Qualitative Disclosures about Market Risk.  The Group does not hedge any type of forecasted transaction and does not apply hedge accounting.
Price risk exposure	Part I: Item 3D. Risks Related to Regulatory Approval of Our Product Candidates and Other Legal Compliance Matters – Our product candidates are subject to government price controls in certain jurisdictions that may affect our revenue. Part I: Item 3D. Risks Related to Regulatory Approval of Our Product Candidates and Other Legal Compliance Matters – Risks Related to Ownership of Our Securities and Our Status as a Public Company. Part I: Item 3D. Risks Related to Regulatory approval of Our Product Candidates and Other Legal Compliance Matters - Recently enacted and future legislation in the United States and other countries may affect the prices we may obtain for our product candidates and increase the difficulty and cost for us to commercialise our product candidates.

# AUTOLUS THERAPEUTICS PLC

## Directors' Report

For the year ended 31 December 2022

Required item in the Directors' Report	Group response and where the information can be found in the 20-F, as applicable
Credit risk exposure	Part III: Notes to the Consolidated Financial Statements: Note 2. Summary of Significant Accounting Policies – Concentration of Credit Risk. See also Note 24 to the financial statements.
Liquidity risk exposure	Part I: Item 5B. Liquidity and Capital Resources.
Exchange rate and cash flow risk	Part I: Item 3D. Risks Related to Our Financial Position and Need for Capital: Exchange rate fluctuations may materially affect our results of operations and financial condition. Part I: Item 11. Foreign Exchange Currency Risk. Part III: Notes to the Consolidated Financial Statements: Note 2. Summary of Significant Accounting Policies – Foreign Currency Translation.
Branches outside the UK	Part I: Item 4C. Organizational Structure The Group did not have any branches outside the UK during the year ended 31 December 2022. However, in January 2023, a Swiss Branch was established which will be incorporated by within Autolus Limited's financial statements from 2023.
Names of all directors	Part I: Item 6A. Directors and Senior Management. Also disclosed below.
Going Concern	Disclosures included in the Strategic Report.
The quantity of emissions of carbon dioxide equivalent from activities for which the group is responsible	See disclosure below.
Information about actions taken during the year to keep employees informed, regularly consulted, involved in performance through share schemes or other means, and aware of financial and economic factors affecting the company.	See disclosure below.
State how directors have engaged with employees, and the effect of their regard for employee interests on principal decisions taken by the company.	See disclosure below.
Directors' indemnities	The Company has made qualifying third-party indemnity provisions for the benefit of its Directors which remain in force at the date of this Directors' Report.
Annual General Meeting	The AGM will be held on 30 June 2023. Further details will be provided in due course.
Disclosure of information to auditors and appointment of auditors	See disclosure below.

# AUTOLUS THERAPEUTICS PLC

## Directors' Report

For the year ended 31 December 2022

### Directors

The directors who served during the year ended 31 December 2022 were as follows:

Christian Martin Itin	Appointed 15 <sup>th</sup> June 2018
Joseph Anderson	Appointed 15 <sup>th</sup> June 2018
Jay Backstrom <sup>1</sup>	Appointed 1 <sup>st</sup> August 2020
Linda Catharina Bain	Appointed 15 <sup>th</sup> June 2018
John Berriman	Appointed 15 <sup>th</sup> June 2018
Cynthia Marie Butitta	Appointed 15 <sup>th</sup> June 2018
Kapil Dhingra	Appointed 15 <sup>th</sup> June 2018
Martin Patrick Murphy	Appointed 14 <sup>th</sup> June 2018
John Johnson	Appointed 15 <sup>th</sup> September 2021
William Young	Appointed 6 <sup>th</sup> November 2021

<sup>1</sup> Dr. Backstrom resigned from the Board effective 28 February 2023.

### Going Concern

Going concern disclosures have been included in the Strategic Report.

### Carbon Emissions

This annual report for the year ended 31 December 2022 is the third annual report in which the Group is reporting its carbon emissions footprint.

The carbon footprint for the Group for year ended 31 December 2022 and 2021, respectively, is as follows:

Scope	12 months ended 31 December 2022		12 months ended 31 December 2021	
	tCO2e	% Total Emissions	tCO2e	% Total Emissions
Estimated Scope 1 emissions	7.5	1 %	9.6	1 %
Estimated Scope 2 emissions	349.9	38 %	406.6	42 %
Estimated Scope 3 emissions	573.1	61 %	544.8	57 %
<b>Total estimated emissions</b>	<b>930.5</b>	<b>100 %</b>	<b>961.0</b>	<b>100 %</b>

For the year ended 31 December 2022, the split of emissions by geography is as follows:

Scope	Location	tCO2e	% Total Emissions
Estimated Scope 1 emissions	UK	7.5	1 %
Estimated Scope 2 emissions	UK	331.4	36 %
	US	18.5	2 %
Estimated Scope 3 emissions	UK	292.4	31 %
	US	280.7	30 %
<b>Total estimated emissions</b>		<b>930.5</b>	<b>100 %</b>

For clarity, scope 1 emissions are direct emissions produced by the burning of fuels. Scope 2 emissions are indirect emissions related to the generation of the electricity consumed and purchased by Autolus. Scope 3 emissions are indirect emissions produced by Autolus activity, but these emissions are not owned or controlled by the Group. For Autolus, the majority of scope 3 emissions relate to business travel.



# AUTOLUS THERAPEUTICS PLC

## Directors' Report

For the year ended 31 December 2022

The organisational footprint of the Group is calculated in accordance with the Green House Gas protocol for corporate accounting using an organisational control approach. Scope 2 emissions are calculated using the location-based methodology. Scope 3 emissions are calculated for Business Travel only, in accordance with the Green House Gas protocol for corporate accounting using a distance-based method.

The table below illustrates the Intensity ratio: is total carbon emissions per employee on the basis of the average number of full time equivalent employees during the year ended 31 December 2022 and 2021, respectively.

	12 months 2022	12 months 2021
Intensity ratio: is total carbon emissions per employee on the basis of the average number of 399 full time equivalent employees during the year ended 31 December 2022 (2021: 324).	2.33	2.97

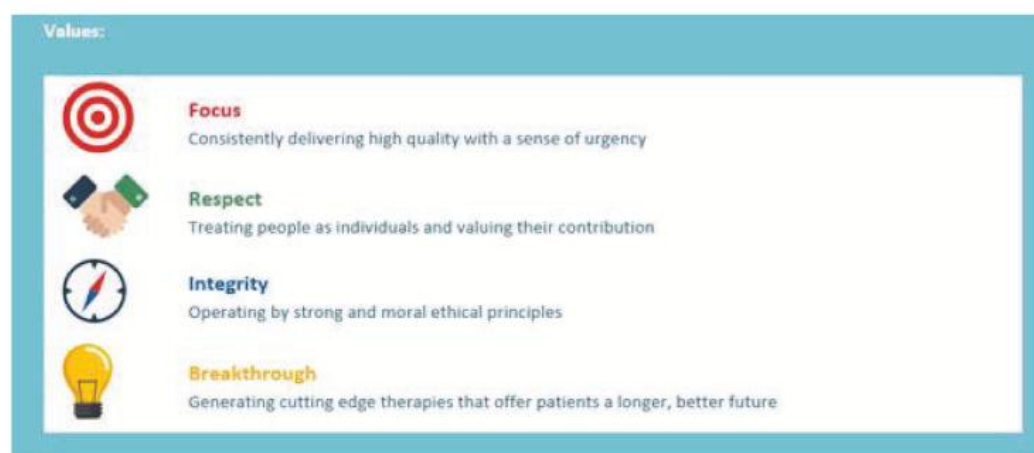
The Directors are considering the introduction of a sustainability strategy which will include guidance to reduce our energy consumption and thereby reducing our carbon footprint.

### Employee engagement, culture and values

A strong internal communications programme continues to focus on employee engagement. This programme includes the following activities:

- Enhancement of company intranet with new content and focused functional pages
- CEO-led employee meetings for managers
- Lunch and learns
- All company meetings
- Promotion of employee reward platform MO

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



The Group has various methods to positively engage with staff at all its locations, and a new initiative of engaging with new hires within the first few months via a new employee survey- has been introduced to look at pre-boarding and onboarding to ensure we are providing optimal support to all new employees and to note any suggestions for improvement.

# **AUTOLUS THERAPEUTICS PLC**

## **Directors' Report**

**For the year ended 31 December 2022**

### **Talent Acquisition:**

During 2022, 178 hires were completed. The primary focus for 2022 was ensuring the timely delivery of manufacturing talent to ensure fully trained manufacturing capacity, whilst also resourcing the build-out of the new Nucleus manufacturing facility. Additionally, a number of key leadership hires were expedited within the Development and Commercial functions to drive obe-cel BLA delivery and launch preparedness.

Early engagement with candidates was achieved through a direct sourcing strategy with 4 out of 5 hires being identified directly by our in-house TA function and with an average time to hire of 30 days, well below market average. Notable leadership hires included:

- Head of Regulatory Affairs
- Head of Clinical Operations
- 2 X Clinical Development Physicians
- Head of Market Access
- UK & Ireland Commercial GM
- Chief Accounting Officer

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

### **Disabled employees**

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

### **Engagement with suppliers, customers and others**

In addition to ensuring engagement with our shareholders, the Group is committed to engaging with its other principal stakeholders: patients and their caregivers, employees and suppliers. All concerns or opinions of these stakeholders are discussed at the Board and management level and by direct engagement with stakeholders themselves.

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

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

### **Auditors**

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of Ernst & Young LLP as auditor of the Group is to be proposed at the forthcoming Annual General Meeting.

# AUTOLUS THERAPEUTICS PLC

## Directors' Report

For the year ended 31 December 2022

### Statement of Directors Responsibilities

The Directors are responsible for preparing the Strategic Report and Directors' Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law, the Directors have prepared the consolidated financial statements in accordance with IFRS as adopted by the United Kingdom and elected to prepare the Parent Company financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (UK Accounting Standards and applicable law).

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Parent Company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRS as adopted by the United Kingdom;
- for the Parent Company financial statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Parent Company will continue in business.


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

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

### Directors' confirmations

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

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

DocuSigned by:  
  
2893C37F7D8F413...  
Christian Itin – Director and CEO

Date: 25 May 2023

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



# **AUTOLUS THERAPEUTICS PLC**

## **Directors' Remuneration Report**

**For the year ended 31 December 2022**

### **Annual Statement from the Chair of the Compensation Committee**

Dear Shareholder,

As the Chair of the Compensation Committee (the "Committee"), I am pleased to present, on behalf of the board of directors (the "Board") of Autolus Therapeutics plc (the "Company" or "Autolus" or "Group"), the Directors' remuneration report for the year ended 31 December 2022 (the "Directors' Remuneration Report").

The Group's Annual Report and Accounts, along with the Directors' Remuneration Report, will be subject to an advisory vote at the forthcoming Annual General Meeting on 30 June 2023 (the "AGM"). The Directors' Remuneration Policy was approved at our Annual General Meeting in 2022 and will remain valid until replaced by a new or amended policy (expected to occur at the Annual General Meeting in 2025).

#### **Introduction**

During the period covered by this Directors' Remuneration Report, we maintained the remuneration programs and policies that the Committee established during the financial year 2020 and implemented strategic compensation initiatives designed to incentivise and retain key employees in the Group. However, in early 2023, we adjusted both the cash and equity components of non-executive director compensation to better align our compensation practices with those of our peer group. These changes, and the reasons behind them, are described in greater detail below.

As we continue the Group's operations, the Committee's role will be to ensure that Directors and senior executives at Autolus are appropriately compensated and incentivised to deliver growth to shareholders in a long-term and sustainable manner. The Committee seeks to accomplish this by establishing remuneration programs that are grounded in market practice, are effective at driving proper management behaviours, clearly link pay and performance and are cost efficient overall. Key considerations guiding the implementation of our Remuneration Policy are discussed further on page 22.

#### **Corporate Governance Standards**

As a public company, we are subject to corporate governance standards and regulations applicable in the United States and the United Kingdom; however, the UK Corporate Governance Code does not apply to us as our securities are listed solely on NASDAQ. For example, in order to conform to director independence standards applicable in the United States, our Chief Executive Officer ("CEO") is the only executive director of the Company, and we currently intend to add only non-executive directors to our Board. As such, the Directors' Remuneration Report and the Remuneration Policy as they relate to executive directors address only the compensation of our CEO, who also served as our Chairman until 15 April 2021.

#### **The Global Marketplace for Talent**

Autolus is a biopharmaceutical company with operations in Europe and the United States. The Group plans to expand its operations in both geographic regions in line with the growth of its clinical and manufacturing activities and its plans to commercialise its products in these geographies. Given that the market for experienced directors and biopharmaceutical executive management talent, particularly in the United States, is very competitive, the Committee references the US market as the leading indicator for remuneration levels and practices. This will help attract and retain directors and motivate the superior executive management talent needed to successfully manage the Group's complex global operations. Being consistent in this market view of the United States as the primary benchmark for remuneration practices for directors and the CEO (as our sole executive director) is key for the Group as it builds its global operations in a manner designed to deliver sustainable long-term growth and shareholder value.

During the 2022 financial year, the Committee undertook a benchmarking review for director and executive director compensation, which included a review of compensation practices of comparable companies to Autolus in the US and Europe, and referred to this analysis in calibrating its decisions and recommendations with respect to director and non-executive director compensation. In taking any actions, the Committee is mindful of the general UK compensation framework, including investor bodies' guidance, and the UK Corporate Governance Code, and has incorporated these into its remuneration programs, policies and decisions where it believes they best serve the long-term interests of shareholders. In early 2023, following the resignation of one of our non-executive directors and the decision by our board Chair not to stand for re-election at this year's AGM, we performed a fresh benchmarking review for non-executive director compensation to ensure that our efforts to recruit replacement directors would be successful.

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### Remuneration Program Highlights

While I recommend that you carefully read the disclosure on our programs and policies that follows this letter to help with the understanding of our approach to director compensation, I want to highlight the following aspects of our program below:

- **Pay for Performance** – We believe that a significant portion of remuneration of our directors and our CEO (as our sole executive director) should be based on achieving objectives designed to create inherent value in the Company, and ultimately on achieving value creation for our shareholders. In line with this belief, the compensation of our CEO includes a significant performance-based cash bonus opportunity and a large equity incentive component, and our directors receive equity incentives designed to reward long-term value creation for our shareholders.
- **Shareholding requirements for Executive Directors** – We believe having these requirements encourages executive directors to build meaningful shareholding positions and furthers alignment of their interests with those of shareholders. Executive directors are required to build and retain a shareholding equivalent to at least 200% of their salary within a period of five years following appointment.
- **Recovery Policy** – To further embed the linkage between pay and performance, any annual bonus and Equity Incentive Plan awards for the CEO as our sole executive director are subject to recovery and withholding provisions which permit the Directors, in its discretion, to reduce the size of any awards in the event of a material misstatement of financial results, a miscalculation or error in assessing the performance condition applying to the award, or in the event of serious misconduct committed by the employee. During 2023 the Company will undertake a review of its recovery policy and make changes and/or adopt a new policy if required to comply with upcoming changes in the requirements for U.S. listed companies.
- **2022 Remuneration Outcome** – As outlined above, a core principle in Autolus' remuneration program is the linkage between pay and performance. In financial year 2022, the annual bonus of Christian Itin, our CEO and sole executive director, was based entirely on corporate objectives. At a meeting on 13 December 2022, the Compensation Committee of the Board determined that the Company achieved 75% of its annual corporate objectives, which resulted in a total bonus pay out to the CEO of 45% of his base salary for financial year ended 31 December 2022. This bonus was paid in March 2023. This outcome was based on achievements versus goals in the following key areas: Obe-cel, and Communication and Publications. Not all goals were achieved in full, resulting in the overall below target outcome. The Compensation Committee exercised discretion in the evaluation of partial achievement of certain criteria and the establishment, during the year, of additional corporate objectives reflecting developments during the year. Please see page 35 for additional details on this bonus outcome and the pay for performance linkage.
- **Major Decisions and Substantial Changes regarding Directors' Remuneration** – During financial year 2022, the Compensation Committee performed a benchmarking analysis of directors' remuneration based on the Company's peer group. No changes were proposed during 2022. However, as noted above, a new benchmarking was performed in early 2023 to support the Company's recruitment efforts for an existing and planned vacancy on the Board. Based on this analysis, in March 2023, the Directors approved the following revisions to the Company's Non-Employee Director Compensation Policy, or Policy: (i) an increase in the initial equity award of options granted on the date of a non-executive director's appointment or election from 40,000 shares to 80,000 shares, with an additional contemporaneous award of up to 40,000 shares for non-executive directors appointed to be Board or Committee Chairs, (ii) an increase in the annual award of options granted on the date of our AGM from 20,000 shares to 80,000 shares, (iii) an increase in the annual stipend payable to each non-executive director (other than the Chair) from £30,000 to £31,500, and to the Chair from £50,000 to £52,500, and (iv) increases in the annual stipends payable to members and Chairs of the various committees of the Board as follows:
  - Audit Committee: £13,000 Chair, £6,500 member (from £12,000 and 6,000 respectively)
  - Compensation Committee: £10,000 Chair, £5,000 member (from £9,000 and 4,500 respectively)
  - Nominating & Corporate Governance Committee: £7,000 Chair, £3,000 member (from £6,000 and 3,000 respectively)
  - Research & Development Committee: no change.

## **AUTOLUS THERAPEUTICS PLC**

### **Directors' Remuneration Report**

**For the year ended 31 December 2022**

The Board and Committee, respectively applied discretion in setting such amounts, based on the benchmarking analysis conducted by the Committee's independent compensation consultant, the Group's immediate need to recruit non-executive directors to fill current and anticipated vacancies, and the workload associated with the position of Board or committee Chair.

#### **Conclusion**

The Committee believes the proposals put forth in this report will properly motivate our directors and our CEO to deliver sustainable growth and shareholder value over the long term and do so in a responsible and cost-efficient manner.

I hope that you find the information in this report helpful, and look forward to the AGM, where we hope to have your support.

Yours sincerely

DocuSigned by:  
  
1B93B66969B2403...  
John Berriman  
Chair of the Compensation Committee

25 May 2023

# **AUTOLUS THERAPEUTICS PLC**

## **Directors' Remuneration Report**

**For the year ended 31 December 2022**

### **Remuneration Policy**

This part of the Directors' Remuneration Report sets out the Remuneration Policy for the Company's directors and executive directors and has been prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The Remuneration Policy was approved by the Shareholders at the AGM on 18 June 2022 and remains in effect from the date of approval for a period of three years, or until a revised policy is approved by shareholders.

The scenario charts have been updated to reflect the intended application of the policy for the 2022 financial year. A copy of the shareholder-approved policy (including the scenario charts for the 2021 financial year) is in the Annual Report and Financial Statements for the year ended 31 December 2021, which is available on the Company's website.

#### **Key considerations when determining the Remuneration Policy**

The Committee designed the Remuneration Policy with a number of specific objectives in mind. The Remuneration Policy should:

- enable the Group to attract, retain and motivate high calibre directors and the CEO who is currently the sole executive director, and focus them on the delivery of the Group's strategic and business objectives;
- encourage a corporate culture that promotes the highest level of integrity, teamwork and ethical standards;
- be competitive against appropriate market benchmarks (being predominantly the US biotech sector) and have a strong link to performance, providing the ability to earn above-market rewards for strong performance;
- encourage equity ownership by directors and the CEO to motivate and align them with the overall interests of shareholders and the Group;
- be simple and understandable, both internally and externally; and
- take due account of good governance and promote the long-term success of the Group.

In seeking to achieve the above objectives, the Committee is mindful of the views of a broad range of stakeholders in the business and accordingly takes account of a number of factors when setting remuneration including: market conditions; pay and benefits in relevant comparator organisations; terms and conditions of employment across the Group; the Group's risk appetite; the expectations of institutional shareholders; and any specific feedback received from shareholders and other stakeholders.

The Remuneration Policy applicable to executive directors is designed to provide the Committee with the parameters within which to set the specific individual compensation during the upcoming three-year period. In making its decisions, the Committee will seek to apply a compensation philosophy that provides competitive compensation and employment terms aligned with the 50th percentile of the Company's peer group of similarly situated companies, which is selected by the Committee annually based on a proposal from its independent compensation consultant. The Committee may vary from this general philosophy where special circumstances apply or where recruitment or retention of a particular executive director is required.

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### Executive Director Remuneration Policy Table

The table below sets out, for each element of pay, a summary of how remuneration of executive directors is structured and how it supports the Company's strategy.

Executive Directors			
Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
<b>Base salary</b>			
To recruit and retain executive directors of the highest calibre who are capable of delivering on the Company's strategic objectives, reflecting the individual's experience and role within the Company. Base salary is designed to provide an appropriate level of fixed income to avoid any over-reliance on variable pay elements that could encourage excessive risk taking.	Salaries are normally reviewed annually, and changes are generally effective from the start of the Company's financial year.  The annual salary review for executive directors takes a number of factors into consideration, including: <ul style="list-style-type: none"> <li>• business performance;</li> <li>• salary increases awarded to the overall employee population;</li> <li>• skills and experience of the individual over time;</li> <li>• scope of the individual's responsibilities;</li> <li>• changes in the size and complexity of the Company;</li> <li>• market competitiveness assessed by periodic benchmarking; and</li> <li>• the underlying rate of inflation.</li> </ul>	Whilst there is no prescribed formulaic maximum, any increases to base salary will take into account prevailing market and economic conditions and the approach to employee pay throughout the organisation. Base salary increases are awarded at the discretion of the Committee based on the factors outlined in this table (see column "Operation").	Executive Directors' performance is a factor considered when determining any base salary increases.
<b>Benefits</b>			
Reasonable benefits-in-kind are provided to support executive directors in carrying out their duties and assist with retention and recruitment.	The Company aims to offer benefits that are in line with market practice.  The benefits currently available to our executive director include death in service insurance, permanent health insurance, an allowance for health insurance, a housing allowance and an allowance for tax advice.  The Committee retains discretion to offer the following additional benefits: life and disability insurance, private medical insurance, temporary living and transportation expenses, relocation assistance, and tax equalisation to allow flexibility in employing a foreign national, all with or without tax gross-up.  Travel and any reasonable business-related expenses (including tax thereon) may be reimbursed on a gross-of-tax basis.  Executive Directors may become eligible for other benefits in the future where the Committee deems it appropriate. Where additional benefits are introduced for the wider workforce, executive directors may participate on broadly similar terms.	The value of each benefit is not predetermined and is typically based upon the cost to the Company of providing such benefit.	Not performance related.

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

Executive Directors			
Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
<b>Pensions</b>			
The Company aims to provide a contribution towards life in retirement.	Executive Directors are eligible to receive employer contributions to fulfil statutory pension requirements or a salary supplement in lieu of pension benefits, or a mixture of both.	Up to 10% of base salary.	Not performance related.
<b>Annual bonus</b>			
The annual bonus scheme rewards the achievement of objectives that support the Company's corporate goals and delivery of the business strategy in the short term.	Bonuses are determined based on measures, targets and stretch targets that are agreed by the Committee at the start of each financial year. However, the Committee retains the discretion to include achievements that have not been established as corporate goals at the beginning of the year.	The target bonus opportunity for executive directors ranging from 60% to 120% of salary, with a maximum bonus opportunity of up to 200% of the target bonus based on achievement pre-defined stretch targets.	<p>Performance measures are determined by the Committee each year and may vary to ensure that they promote the Company's business strategy and shareholder value. The annual bonus will be based on corporate measures, including financial and/or strategic measures. Bonus measures are reviewed annually, and the Committee has the discretion to vary the mix of measures or to introduce new measures, based on the strategic focus of the Company at that time.</p> <p>The Committee may alter the bonus outcome if it considers that the level of pay-out is inconsistent with overall Company performance, taking account of any factors it considers relevant. This will help ensure that pay outs reflect overall Company performance during the period. Bonus payments are subject to recovery and withholding provisions.</p>

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

Executive Directors			
Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
<b>Equity Incentive Plan (EIP)</b>			
The EIP is designed to incentivise the successful execution of business strategy over the longer term, to provide long-term retention, and to increase alignment of interests with shareholders. The EIP facilitates share ownership to provide further alignment with shareholders.	Awards will typically be granted annually, in the form of options, share appreciation rights, restricted shares/units or performance shares/units that normally vest over a period of up to four years. At the discretion of the Committee, participants may also be entitled to receive the value of dividends paid between grant and vesting on vested shares. The payment may be in cash or shares and may assume dividend reinvestment. EIP awards are not subject to any holding period.	There is no maximum opportunity under the EIP. However, the Committee will generally work within the benchmarking guidelines provided by our compensation consultants. We seek to establish equity-based remuneration competitive to that offered by a set of comparable companies with whom we may compete for executive talent.	The Committee will select the most appropriate form of EIP award each year. Awards are subject to recovery and withholding provisions.
<b>All-employee share schemes</b>			
Encourages employee share ownership and therefore increases alignment of interests with shareholders.	The Company may, from time to time, operate tax-approved share plans (such as HM Revenue & Customs ("HMRC")-approved Save As You Earn Option Plan and Share Incentive Plan) for which executive directors would be eligible on the same basis as all other employees.	The schemes are subject to the limits set by HMRC.	Not performance related.
<b>Share ownership guidelines</b>			
Encourages executive directors to build a meaningful shareholding so as to further align their interests with those of shareholders.	Shares owned outright by the executive director or a connected person are included. Vested share awards and vested in-the-money share option awards are included on a net of tax basis.	Executive Directors are required to build and retain a shareholding equivalent to at least 200% of their salary within a period of five years following appointment.	Not performance related.

### Notes to the Remuneration Policy Table

#### Legacy arrangements

For the duration of this Remuneration Policy, the Company will honour any commitments made in respect of current or former Directors before the date on which either: (i) the Remuneration Policy becomes effective; or (ii) an individual becomes a Director, even where not consistent with the Remuneration Policy set out in this report or prevailing at the time such commitment is fulfilled. For the avoidance of doubt, all outstanding historic awards that were granted in connection with, or prior to, listing remain eligible to vest based on their original or modified terms.



# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### *Recovery and withholding*

Awards under the annual bonus and the EIP are subject to recovery and withholding provisions which permit the Committee, in its discretion, to reduce the size (including to zero) of any future bonus or share award granted to the executive director, to reduce the size (including to zero) of any granted but unvested share award, or to require the executive director to make a cash payment to the Company. The circumstances in which the Company may apply the recovery and withholding provisions are the discovery of a material misstatement of financial results, a miscalculation or error in assessing the performance condition applying to the award, or in the event of serious misconduct committed by the executive director.

In respect of cash bonus payments, the recovery and withholding provisions apply for one year from the date of payment of the bonus (or, if later, the date of publication of the Company's financial results for the year following the relevant year over which the bonus was earned).

In respect of share awards under the annual bonus plan and the EIP, recovery and withholding provisions apply up until the first anniversary of the date on which the relevant award vests, although the Committee may extend this period for a further two years if there is an ongoing investigation into the circumstances of any event that, if determined to have occurred, would permit the Committee to operate the recovery and withholding provisions.

### *Performance conditions*

The choice of annual bonus performance metrics reflects the Committee's belief that any incentive-based remuneration should be appropriately challenging and tied to the delivery of key financial and strategic targets intended to ensure that executive directors are incentivised to deliver across a range of objectives for which they are accountable. The Committee has retained some flexibility on the specific measures which will be used to ensure that any measures are fully aligned with the strategic imperatives prevailing at the time they are set.

The targets for the bonus scheme for the forthcoming year will be set out in general terms, subject to limitations with regards to commercial sensitivity. Additional details of the targets will be disclosed when they are no longer considered to be commercially sensitive, usually following the end of the relevant financial year in the Directors' Remuneration Report.

Where used, performance conditions applicable to EIP awards will be aligned with the Company's objective of delivering meaningful increases in long-term value to shareholders. Prior to each award, the Committee has flexibility to select measures that are fully aligned with the strategy prevailing at the time awards are granted.

Notwithstanding this, the Committee would, if appropriate, seek to consult with major shareholders in advance of any material change to the choice or weighting of performance measures.

The Committee will review the calibration of targets applicable to the annual bonus, and the EIP in years where performance measures apply, annually to ensure they remain appropriate and sufficiently challenging, taking into account the Company's strategic objectives and the interests of shareholders.

### *Differences in remuneration policy between executive directors and other employees*

The overall approach to reward for employees across the workforce is a key reference point when setting the remuneration of the executive directors. When reviewing the salaries of the executive directors, the Committee pays close attention to pay and employment conditions across the companies in our US and European peer groups.

The key difference between the remuneration of executive directors and that of our other employees is that, overall, at senior levels, remuneration is increasingly long-term, and 'at risk' with an emphasis on performance-related pay linked to business performance and share-based remuneration. This ensures that remuneration at senior levels will increase or decrease in line with business performance and provides alignment between the interests of executive directors, the Company and shareholders.

### *Committee discretion in operation of variable pay schemes*

The Committee operates under the powers it has been delegated by the Board. In addition, it complies with rules that are either subject to shareholder approval or by approval from the Board. These rules provide the Committee with certain discretions which serve to ensure that the implementation of the Remuneration Policy is fair, both to the individual director and to the shareholders. The Committee also has discretions to set components of remuneration within a range, from time to time. The extent of such discretions is set out in the relevant rules, the maximum opportunity or the performance metrics section of the policy table above. To ensure the efficient administration of the variable incentive plans outlined above, the Committee will apply certain operational discretions.



# **AUTOLUS THERAPEUTICS PLC**

## **Directors' Remuneration Report**

**For the year ended 31 December 2022**

These include the following:

- selecting the participants in the plans;
- determining the timing of grants of awards and/or payments;
- determining the quantum of awards and/or payments (within the limits set out in the policy table above);
- determining the choice (and adjustment) of performance measures and targets for each incentive plan in accordance with the policy set out above and the rules of each plan;
- determining the extent of vesting based on the assessment of performance and discretion relating to measurement of performance in certain events such as a change of control or reconstruction;
- determining whether awards would be granted over and/or satisfied with ordinary shares and/or ADS' and/or cash;
- whether the "malus and clawback principles" shall be applied to any award in the relevant circumstances and, if so, the extent to which it shall be applied;
- making the appropriate adjustments required in certain circumstances, for instance for changes in capital structure;
- determining "good leaver" status for incentive plan purposes and applying the appropriate treatment; and
- undertaking the annual review of weighting of performance measures and setting targets for the annual bonus plan and other incentive schemes, where applicable, from year to year.

If an event occurs which results in the annual bonus plan or EIP performance conditions and/or targets being deemed no longer appropriate (e.g., material acquisition or divestment), the Committee will have the ability to make appropriate adjustments to the measures and/or targets and alter weightings, provided that the revised conditions are not materially less challenging than the original conditions. Any use of the above discretion would, where relevant, be explained in the Annual Report on Remuneration and may, as appropriate, be the subject of consultation with the Company's major shareholders.

### ***Shareholder views***

The Board is committed to dialogue with shareholders. The Committee will consider shareholder feedback received following the AGM, as well as any additional feedback and guidance received from time to time. This feedback will be considered by the Committee as it develops the Company's remuneration framework and practices going forward. Assisted by its independent adviser, the Committee also actively monitors developments in the expectations of institutional investors and their representative bodies.

### ***Employment conditions***

The Committee is regularly updated throughout the year on pay and conditions applying to Company employees. Where significant changes are proposed to employment conditions elsewhere in the Company, these are highlighted for the attention of the Committee.

The Remuneration Policy for executive directors supports the business needs of the Company, ensuring it promotes long-term success whilst enabling it to attract, retain and motivate executive directors of a high calibre. The Committee consulted with members of senior management regarding the Remuneration Policy but did not seek input from the larger employee base. The Committee is satisfied that the Remuneration Policy supports the Company's strategy of growing long-term shareholder value and appropriately balances fixed and variable remuneration. With a high proportion of reward delivered in the form of equity, this ensures that executive directors have a strong alignment with shareholders through the Company's share price.

### ***Other remuneration policies***

#### ***Remuneration for new appointments***

Where it is necessary to appoint or replace an executive director, the Committee's approach when considering the overall remuneration arrangements in the recruitment of a new executive director is to take account of the calibre, expertise and responsibilities of the individual, his or her remuneration package in their prior role and the prevailing market rate for similar roles. Remuneration will be in line with our policy and the Committee will not pay more than is necessary for a successful recruitment.

## AUTOLUS THERAPEUTICS PLC

### Directors' Remuneration Report

For the year ended 31 December 2022

The remuneration package for a new executive director will be set in accordance with the terms of the Company's approved Remuneration Policy in force at the time of appointment. Further details are provided below:

<b>Salary</b>	<p>The Committee will set a base salary appropriate to the calibre, experience and responsibilities of the new appointee. In arriving at a salary, the Committee may take into account, amongst other things, the market rate for the role and internal relativities.</p> <p>The Committee has the flexibility to set the salary of a new executive director at a lower level initially, with a series of planned increases implemented over the following few years to bring the salary to the desired positioning, subject to individual performance.</p>
<b>Benefits</b>	<p>Benefits will be consistent with the principles of the Remuneration Policy. The Company may award certain additional benefits and other allowances including, but not limited to, those to assist with relocation support, temporary living and transportation expenses, educational costs for children and tax equalisation to allow flexibility in employing a foreign national.</p>
<b>Pension benefits</b>	<p>A maximum pension contribution of 10% consistent with the Remuneration Policy. For an internal appointment, his or her existing pension arrangements may continue to operate. Any new executive director based outside the UK will be eligible to participate in pension or pension allowance, insurance and other benefit programs in line with local practice.</p>
<b>Annual bonus</b>	<p>The maximum bonus opportunity for new appointments is 200% of salary consistent with the Remuneration Policy.</p>
<b>Equity Incentive Plan</b>	<p>No maximum opportunity for new executive director appointments.</p>
<b>Buy-out awards</b>	<p>In addition to the above, the Committee may offer additional cash and/or share-based elements in order to 'buy out' remuneration relinquished on leaving a former employer.</p> <p>In the event that such a buy-out is necessary to secure the services of an executive director then the structure of any award or payment will mirror, as far as is possible, the arrangements in place at the incoming executive director's previous employer, including the vehicle, structure, vesting periods, expected value and performance conditions.</p> <p>Any share awards made in this regard may have no performance conditions, or different performance conditions, or a shorter vesting period compared to the Company's existing plans, as appropriate.</p> <p>Shareholders will be informed of any buy-out arrangements at the time of the executive director's appointment.</p>

Depending on the timing and responsibilities of the appointment, it may be necessary to set different annual bonus/EIP performance measures and targets as applicable to other executive directors.

#### ***Service contracts and termination policy***

The Company's policy on remuneration for executive directors who leave the Company is set out below. As a matter of policy, Executive Directors should have contracts with an indefinite term providing for a maximum of up to 3 months' notice. The Committee will exercise its discretion when determining amounts that should be paid to leavers, taking into account the facts and circumstances of each case. Generally, in the event of termination, the executive directors' service contracts may provide for payment of basic salary and benefits over the notice period. The Company may elect to make a payment in lieu of notice equivalent in value to basic salary for any unexpired portion of the notice period.

The service contracts of executive directors may include additional payments within the parameters outlined below. In setting the specific terms for an executive director, the Committee will seek to apply a compensation philosophy that provides competitive compensation and employment terms aligned with the 50<sup>th</sup> percentile of the Company's peer group of similarly situated companies, which is selected by the Committee annually based on a proposal from its independent compensation consultant. The Committee may vary from this general philosophy where special circumstances apply or where recruitment or retention of a particular executive director is required.

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

	Termination without cause or for cause by participant <sup>1</sup>	Termination for cause <sup>1</sup>	Termination in connection with change of control
<b>Salary</b>	A payment up to 18 months' salary payable as a lump sum or on a monthly basis.	No payment.	A payment up to 24 months' salary payable as a lump sum or on a monthly basis.
<b>Annual bonus</b>	A bonus up to one year's target bonus, or a higher bonus at the discretion of the Committee, payable as a lump sum or on a monthly basis.	No bonus payable.	A bonus up to 24 months' target bonus, or a higher bonus at the discretion of the Committee, payable as a lump sum or on a monthly basis.
<b>Equity Incentive Awards</b>	Acceleration of vesting of up to 12 months is permissible; however, awards may vest at the normal time or be accelerated at the Committee's discretion, or to the extent that any performance conditions have been achieved. The Committee has discretion to determine that awards will vest early, on the date of cessation. Awards which are granted as market value options or share appreciation rights, and which have vested may remain exercisable for up to twelve months at the discretion of the Committee or as prescribed in the equity incentive plan or employment agreement.	All outstanding awards, including those which have vested but are unexercised, will lapse immediately upon cessation of employment, unless the Committee determines otherwise.	Full vesting on termination within 6 months prior to or 24 months after the date of Change of Control.  Exceptionally, the Committee may provide that, on the occurrence of a Change of Control, awards will: lapse in full; vest in full (in cash, shares or other property); be replaced with other rights or property; or be adjusted as to the number or type of shares over which they are granted.

<sup>1</sup>Circumstances in which the executive director may be terminated for cause include failure to carry out employment duties or lawful directions, criminal conviction, fraud, embezzlement, misappropriation, misconduct or breach of fiduciary duties or such other circumstances as further described in the employment agreement. Circumstances in which the executive director may terminate for cause include a unilateral reduction by the Company of the executive director's salary or responsibilities, failure to pay an earned bonus, and a material breach of the service agreement by the Company or such other circumstances as further described in the employment agreement.

The Company is unequivocally against rewards for failure; the circumstances of any departure, including the individual's performance, would be taken into account in every case. Statutory redundancy payments may be made, as appropriate. Service agreements may be terminated summarily without notice (or on shorter notice periods) and without payment in lieu of notice in certain circumstances, such as gross misconduct or any other material breach of the obligations under their employment agreement, or such other circumstances as further described in the employment agreement. The Company may require the individual to work during their notice period or may place them on garden leave during which they would be entitled to base salary and benefits.

Except in the case of gross misconduct or resignation, the Company may, at its absolute discretion, reimburse any reasonable professional fees relating to the termination of employment and, where an executive director has been required to relocate, pay reasonable repatriation costs, including possible tax exposure costs. This includes any statutory entitlements or sums to settle or compromise claims in connection with a termination (including, at the discretion of the Committee, reimbursement for legal advice and provision of outplacement services).

### Policy on external appointments

The Board believes that it may be beneficial to the Company for executive directors to hold non-executive directorships outside the Company. Any such appointments are subject to approval by the Board and the executive director may retain any fees received at the discretion of the Board. The Company's sole executive director does not currently hold any external non-executive directorships.

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### Employment Terms and Remuneration Scenarios for Executive Directors

The Company's CEO and currently its sole executive director has a rolling service agreement which may be terminated in accordance with the terms set forth therein. The service agreement is available for inspection at the Company's registered office during normal business hours. The termination notice period is listed in the table below:

Name	Date of service contract	Notice period
Christian Itin, Ph.D.	2 June 2019	Three months for either party

Upon termination by the Company without cause or by the executive director for cause, the executive director is entitled to receive twelve months' cash severance and a bonus pro-rated for the time served during the applicable financial year. If such termination occurs during a period starting three months prior to a change of control of the Company to twelve months after such change of control, the executive director is entitled to receive an additional 6 months' cash severance.

The charts below show an estimate of the 2023 remuneration package for the Company's CEO and sole executive director, under three assumed performance scenarios, based upon the Remuneration Policy set out above.

The scenarios are defined as follows:

Below Target (comprising fixed pay only):

- Base salary as at 1 January 2023: £432,000
- Benefits: estimated value of the various benefits

Target:

- Fixed pay as set out above
- Assumes bonus pay-out for 2023 bonus for on-target performance (60% of salary)

Maximum:

- Fixed pay as set out above
- Assumes maximum bonus pay-out for 2023 bonus, i.e. bonus of 90% of base salary payable for achievement of all base12 and stretch corporate goals

The bar chart below does not include any value for equity-based award remuneration. We do not believe it is possible to reasonably quantify the value that might result from outstanding options and other equity-based awards. No awards or benefits were granted in 2022 or are expected to be granted in 2023 with performance measures or targets that relate to more than one financial year.

All amounts listed in GBP (£).



# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### Non-Executive Director Remuneration Policy Table

The table below sets out, for each element of pay, a summary of how remuneration of non-executive directors is structured and how it supports the Company's strategy.

Non-Executive Directors			
Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
<b>Fees</b>			
To attract Non-Executive Directors who have a broad range of experience and skills to provide independent judgement on issues of strategy, performance, resources and standards of conduct.	Non-Executive Directors receive an annual retainer paid in cash, comprising a base fee plus additional fees for additional responsibilities, such as a Committee Chairmanship or membership and the role of Lead Independent Director or Chairperson. These fees are determined by the full Board of Directors, upon recommendation of the Compensation Committee. When reviewing fee levels, account is taken of market movements in fee levels, Board committee responsibilities, ongoing time commitments and the general economic environment. In exceptional circumstances, if there is a temporary yet material increase in the time commitments for Non-Executive Directors, the Board may pay additional fees to recognise that additional workload. Non-executive directors ordinarily do not participate in any pension, bonus or performance-based share incentive plans. Travel, accommodation and other business-related expenses incurred in carrying out the role will be paid or reimbursed by the Company including, if relevant, any gross-up for tax.	Actual fee levels are disclosed in the annual Directors' Remuneration Report for the relevant financial year.	Not performance related.

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

Non-Executive Directors			
Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
<b>Equity Incentive Awards</b>			
To facilitate share ownership and provide alignment with shareholders.	<p>Non-Executive Directors may receive an equity incentive award in the form of options, share appreciation rights, restricted shares / units or performance shares / units or such other form permitted in the EIP.</p> <p>New Non-Executive Directors receive an initial equity incentive award upon appointment or election. In addition, Non-Executive Directors receive annual equity incentive awards at the time of the annual meeting.</p> <p>The initial equity award normally vests over three years. The annual equity awards normally vest over 12 months.</p> <p>The size of the equity incentive awards is determined by the Committee.</p> <p>When reviewing award levels, account is taken of market movements in equity incentive awards, Board committee responsibilities, ongoing time commitments and the general economic environment.</p>	There is no maximum number of equity incentive awards that may be awarded to individuals each year.	Not performance related.

### **Non-Executive Directors' terms of engagement**

Each of the non-executive directors is engaged under a non-executive director appointment letter. The terms of appointment for a non-executive director would be in accordance with the Remuneration Policy for non-executive directors as set out in the policy table. Newly appointed non-executive directors receive an initial, one-time equity award of options to purchase 80,000 of our ADSs on the date of such appointment to the Board, which will vest in equal monthly instalments through the third anniversary of the grant date. In addition, a non-executive director who is initially appointed to serve as Chair of the Board or of a committee receives an option to purchase up to 40,000 of our ADSs on the date of such appointment, which will vest in equal monthly instalments through the third anniversary of the grant date. However, the Committee may decide to grant a higher or lower amount as appropriate.

On the date of each of our annual meeting of shareholders, each non-executive director that continues to serve will be granted an option to purchase 80,000 of our ADSs or ordinary shares, which will vest in equal monthly instalments through the first anniversary of the grant date.



## AUTOLUS THERAPEUTICS PLC

### Directors' Remuneration Report

For the year ended 31 December 2022

In any event, each appointment is terminable by either party on not less than 30 days' written notice. Our Board is classified, meaning that each of our Directors is designated to one of three classes and is elected to serve a three-year term. Non-executive Directors are only entitled to fees accrued to the date of termination. The dates of appointment of each of the non-executive Directors serving at 31 December 2022 are summarised in the table below.

Non-Executive Directors	Date of contract or date of appointment
Martin Murphy, Ph.D.	14 June 2018
Joe Anderson, Ph.D.	15 June 2018
Jay Backstrom, M.D., MPH <sup>1</sup>	1 August 2020
Linda Bain	15 June 2018
John Berriman	15 June 2018
Cynthia Butitta	15 June 2018
Kapil Dhingra, M.D.	15 June 2018
John Johnson	15 September 2021
William Young, Ph.D.	6 November 2021

<sup>1</sup> Dr. Backstrom resigned from the Board effective 28 February 2023.

Non-executive Directors' letters of appointment are available for inspection at the Company's registered office during normal business hours and will be available for inspection at the AGM.

### Annual Report on Remuneration

This part of the Directors' Remuneration Report has been prepared in accordance with Part 3 of The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The Annual Report on Remuneration and the Annual Statement by the Chairman of the Committee will be put to a single advisory shareholder vote at the AGM on 30 June 2023. The information in this part of the report has been audited where required under the foregoing regulations and is indicated as audited where applicable.

#### *Period covered by the Directors' Remuneration Report*

The Directors' Remuneration Report that follows is for the full year period from 1 January 2022 to 31 December 2022 except where otherwise stated.

#### **Compensation Committee**

The current members of the Committee, are John Berriman (Chair), Cynthia M. Butitta and Dr. Martin Murphy. All members of the Committee are independent.

Members of management, including the CEO, and the Company Secretary, are invited to attend meetings where appropriate. The Company Secretary acts as the secretary to the Committee. No Director or employee is involved in any decisions and are not present for any discussions regarding their own remuneration.

No conflicts of interest have arisen during the period and none of the members of the Committee has any personal financial interest in the matters discussed, other than as shareholders. The fees of the non-executive Directors are approved by the Board on the recommendation of the Committee.

#### *Meetings attendance (between 1 January 2022 and 31 December 2022)*

The Committee convenes at regularly scheduled meetings in connection with quarterly Board meetings. In addition, the Committee meets on an as-needed basis, or approves matters in the form of resolutions by written consent. The table below shows the Committee's attendance at scheduled meetings in 2022.

Name of Committee Member	Attendance
John Berriman	5 of 5
Cynthia M. Butitta	5 of 5
Martin Murphy, Ph.D.	5 of 5

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### *Independent advisors*

Wholly independent advice on director remuneration is received from time to time from the executive compensation practice of Aon plc. Aon was appointed by the Committee following a competitive tender process. Aon was appointed by the Committee following a competitive tender process. Aon is a member of the Remuneration Consultants Group and is a signatory to its Code of Conduct and the Committee is satisfied that the advice received from them was objective and independent. During the period covered by this Directors' Remuneration Report, Aon advised the Committee on the Company's remuneration programs and policies, benchmarking remuneration for new hires, and other related matters. During the year, £48,322 in fees were charged by Aon for year ended 31 December 2022 for advice to the Committee on a time spent basis.

### *Responsibilities and philosophy of the Compensation Committee*

The Committee's principal function is to support the Group's strategy by ensuring that those individuals responsible for delivering the strategy are appropriately incentivised and rewarded through the operation of the Remuneration Policy. In determining the Remuneration Policy, and in constructing the remuneration arrangements for directors, executive directors and senior employees, the Board, advised by the Committee, aims to provide remuneration packages that are competitive and designed to attract, retain and motivate such individuals of the highest calibre.

The Committee is responsible for and, where applicable considered during the period:

- evaluating the efficacy of the Company's Remuneration Policy and strategy;
- reviewing and determining remuneration to be paid to the Company's executive directors, including setting the Remuneration Policy;
- reviewing and making recommendations to the Board regarding remuneration for non-executive directors, including the approval of the Non-Executive Director Compensation Policy;
- establishing the design and performance targets of all share incentive plans;
- assessing the appropriateness and subsequent achievement of the performance targets related incentive plans;
- preparing any report on executive remuneration required by the rules and regulations of the US SEC, NASDAQ and as required under English law;
- reviewing, evaluating, and approving employment agreements, service contracts, severance agreements, change-of-control protections, corporate performance goals and objectives, and other compensatory arrangements of the executive officers and other senior management and adjusting remuneration, as appropriate;
- evaluating and approving remuneration plans and programs and establishing equity remuneration policies;
- reviewing remuneration practices and trends to assess the adequacy and competitiveness of the executive remuneration programs as compared to industry peers, and determining the appropriate levels and types of remuneration to be paid;
- approving any loans by the Group to employees;
- reviewing and approving remuneration arrangements for any executive officer involving any subsidiary, special purpose or similar entity, with consideration of the potential for conflicts of interest;
- reviewing the Group's practices and policies of employee remuneration as they relate to risk management and risk-taking incentives; and
- reviewing the Directors' Remuneration Report.

The Committee is formally constituted and operates on written terms of reference, which are available on the Company's website, <https://www.autolus.com/investor-relations/corporate-governance/documents-charters>.



# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

The information provided in this part of the Directors' Remuneration Report is subject to audit

The Remuneration Committee presents the Report on Remuneration for the year ended 31 December 2022, which will be put to shareholders for a non-binding vote at the Annual General Meeting to be held on 30 June 2023.

### Single total figure of remuneration for each Director

The table below shows the total remuneration received by the Directors for the years ended 31 December 2022 and 2021, respectively in Pound sterling thousands. Total remuneration is the sum of emoluments plus company pension contributions.

£ thousands	Year	Fixed remuneration		Variable remuneration				Total remuneration	Total fixed remuneration	Total variable remuneration
		Base salary /fees	Pension	Taxable Benefits <sup>(4)</sup>	Bonus	LTIP <sup>1</sup>	Other <sup>(2) (3)</sup>			
Executive Director										
Christian Itin, Ph.D.	2022	415.0	—	26.6	186.8	71.0	2.6	702.0	415.0	260.4
	2021	401.7	—	0.5	204.1	—	2.2	608.5	401.7	206.3
Non-Executive Directors										
John Johnson	2022	50.0	—	—	—	—	—	50.0	50.0	—
	2021	14.8	—	—	—	—	—	14.8	14.8	—
Cynthia M. Butitta	2022	40.5	—	—	—	—	—	40.5	40.5	—
	2021	40.5	—	—	—	—	—	40.5	40.5	—
Jay Backstrom, M.D, MPH	2022	42.0	—	—	—	—	—	42.0	42.0	—
	2021	38.5	—	—	—	—	—	38.5	38.5	—
John Berriman	2022	39.0	—	—	—	—	—	39.0	39.0	—
	2021	47.5	—	—	—	—	—	47.5	47.5	—
Joe Anderson, Ph.D.	2022	39.0	—	—	—	—	—	39.0	39.0	—
	2021	39.0	—	—	—	—	—	39.0	39.0	—
Kapil Dhirga, M.D.	2022	42.0	—	—	—	—	—	42.0	42.0	—
	2021	45.5	—	—	—	—	—	45.5	45.5	—
Linda Bain	2022	45.0	—	—	—	—	—	45.0	45.0	—
	2021	45.0	—	—	—	—	—	45.0	45.0	—
Martin Murphy, Ph.D.	2022	34.5	—	—	—	—	—	34.5	34.5	—
	2021	39.5	—	—	—	—	—	39.5	39.5	—
William Young	2022	34.5	—	—	—	—	—	34.5	34.5	—
	2021	4.4	—	—	—	—	—	4.4	4.4	—
Total	2022	781.5	—	26.6	186.8	71.0	2.6	1,068.5	781.5	260.4
	2021	716.4	—	0.5	204.1	—	2.2	923.2	716.4	206.3

<sup>1</sup> During the year ended 31 December 2022, performance-based restricted stock units granted to Dr. Itin in January 2021, vested upon the achievement of a specified clinical milestone. The value of the performance-based awards in the table is based on the market value of underlying shares at the date of vesting being \$1.74 on 13 December 2022, and converted into Pound sterling using the spot rate on the date of vest. The value of non-performance-based equity-based awards in the table is based on the market value of underlying shares at the date of grant, less the applicable exercise price, which is nil because the exercise price is equal to the market value of the underlying shares at the date of grant.

<sup>2</sup> Other benefits include group income protection paid by the Company for Dr. Itin.

<sup>3</sup> Other benefits amounting to £500 have been reclassified to taxable benefits for the year ended 31 December 2021.

<sup>4</sup> Taxable benefits primarily include accommodation allowances.

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### 2022 Annual bonus (audited)

In 2022, the CEO's annual bonus was based entirely on corporate objectives. The outcomes were as follows:

Objectives and Targets	Relative weighting	Achievement	Achievement Percentage
Clinical Development: Progress of FELIX clinical study (obe-cel)	65%	Partial	55%
Finance: Maintain strong capital position through non-dilutive means	30%	Not achieved	0%
Communication and Research: publications & presentations	5%	Achieved	5%
Supplement for early achievement of Blackstone clinical and manufacturing milestones		Achieved	15%
TOTAL			75%

As noted in the Annual Statement of the Chair of the Committee, during the year the Committee added a new goal relating to the early achievement of two Blackstone Collaboration Agreement milestones, which had not been contemplated when the 2022 corporate goals were originally established. This new objective was achieved in full in December 2022. The overall bonus outcome of 75% of target (out of a maximum of 150%) resulted in a total bonus pay out for the CEO of 45% of salary for the 2022 financial year (being 75% of his target bonus). This bonus was paid in March 2023.

### Long-term incentive plan

#### Awards vesting based on performance ending in the 12 months ended 31 December 2022 (audited)

During the year ended 31 December 2022, performance-based restricted stock units granted to Dr. Itin in January 2021, vested upon the achievement of a specified clinical milestone. The value of the performance-based awards is based on the market value of underlying shares at the date of vesting being \$1.74 on 13 December 2022, and converted into Pound sterling using the spot rate on the date of vest.

#### Awards granted in the year

The CEO received the following awards of share options or other equity-based awards during the year ended 31 December 2022, granted under the Company's 2018 Equity Incentive Plan. All options granted to Dr. Itin vest over a four-year period from the date of grant, with 25% of the award vesting on the first anniversary of the commencement date the remaining shares vesting in monthly in equal instalments thereafter, subject to Dr. Itin's continued service through each vesting date. The award was granted on the basis of the CEO's pivotal role in ensuring achievement of the Company's goals, the recommendation of the independent compensation consultant, the size of awards granted to other senior executives and staff, and the aggregate value of vested awards held by the recipient.

Director	Form of award	Date of grant	Number of awards	Exercise price <sup>(1)</sup>	Face value at date of grant <sup>(2)</sup>	Fair value at date of grant <sup>(3)</sup>	Expiry date <sup>(4)</sup>
Christian Itin, Ph.D.	Fair market value share options	22 July 2022	250,000	\$2.86	\$715,000	\$507,535	22 July 2032

<sup>1</sup> The exercise price of all these share options was the market value of our ADSs at the date of grant.

<sup>2</sup> The face value of share options granted have been calculated using the share price on the date of grant multiplied by the number of share options granted.

<sup>3</sup> The fair value of share options granted is determined by taking the fair value calculated in accordance with the Black Scholes Model multiplied by the number of share options granted. Refer to note 19 of the consolidated financial statements for the year ended 31 December 2022 for the assumptions used in the determination of the fair value of share options.

<sup>4</sup> All options granted under the 2018 Equity Incentive Plan have a contractual expiry date of ten years from the date of grant.

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

Non-Executive Directors received the following option awards during the year ended 31 December 2022, each vesting based on the director's continued service through each vesting date. The award was granted on the basis of the Amended Restated Non-employee Director Compensation Policy. The awards were granted under the Non-Employee Sub-Plan to the Company's 2018 Equity Incentive Plan. All options granted to our non-executive directors vest fully after one year, in twelve equal monthly instalments and have no performance conditions attached.

Non-Executive Director	Form of award	Date of grant	Number of awards	Exercise price <sup>(1)</sup>	Face value at date of grant <sup>(2)</sup>	Fair value at date of grant <sup>(3)</sup>	Expiry date <sup>(4)</sup>
John Johnson	Fair market value share options	28 June 2022	20,000	\$2.84	\$56,800	\$38,732	28 June 2032
Cynthia M. Butitta	Fair market value share options	28 June 2022	20,000	\$2.84	\$56,800	\$38,732	28 June 2032
Jay Backstrom, M.D., MPH	Fair market value share options	28 June 2022	20,000	\$2.84	\$56,800	\$38,732	28 June 2032
John Berriman	Fair market value share options	28 June 2022	20,000	\$2.84	\$56,800	\$38,732	28 June 2032
Joseph Anderson, Ph.D.	Fair market value share options	28 June 2022	20,000	\$2.84	\$56,800	\$38,732	28 June 2032
Kapil Dhingra, M.D.	Fair market value share options	28 June 2022	20,000	\$2.84	\$56,800	\$38,732	28 June 2032
Linda Bain	Fair market value share options	28 June 2022	20,000	\$2.84	\$56,800	\$38,732	28 June 2032
Martin Murphy, Ph.D.	Fair market value share options	28 June 2022	20,000	\$2.84	\$56,800	\$38,732	28 June 2032
William Young, Ph.D.	Fair market value share options	28 June 2022	20,000	\$2.84	\$56,800	\$38,732	28 June 2032

<sup>1</sup> The exercise price of all these share options was the market value of our ADSs at the date of grant.

<sup>2</sup> The face value of share options granted have been calculated using the share price on the date of grant multiplied by number share options granted.

<sup>3</sup> The fair value of share options granted is determined by taking the fair value calculated in accordance with the Black Scholes Model multiplied by the number of share options granted. Refer to note 19 of the consolidated financial statements for the year ended 31 December 2022 for the assumptions used in the determination of the fair value of share options.

<sup>4</sup> All options granted under the 2018 Equity Incentive Plan have a contractual expiry date of ten years from the date of grant.

### Payments to former Directors and for loss of office (audited)

No payments were made to former directors of the Company or in relation to loss of office during the year ended 31 December 2022 and 2021, respectively.

### External directorships of executive directors

None during the year ended 31 December 2022.

# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### Statement of Directors' shareholding and share interests (audited)

The share interests of each Director as at 31 December 2022 (together with interests held by his or her connected persons) are set out in the table below. As a direct link between executive remuneration and the interests of shareholders, the Committee has implemented shareholding guidelines for executive directors. The guidelines require that executive directors build up and maintain an interest in the ordinary shares of the Company that is 200% of their salary within five years from appointment.

Shareholdings for Directors who have held office as of 31 December 2022 are set out in the table below, including, in the case of our executive director, as a percentage of salary or fees.

	Beneficially owned ordinary shares as at 31 December 2022	Ordinary shares			Options			Current shareholding (% of salary) <sup>2</sup>	Shareholding requirement met?
		Vested with performance conditions but unreleased <sup>1</sup>	Unvested without performance conditions	Unvested with performance conditions	Vested but unexercised	Unvested without performance conditions	Unvested with performance conditions		
<b>Executive Directors</b>									
Christian Itin, Ph.D. <sup>1</sup>	1,892,877	50,000	—	—	776,868	655,000	150,000	406 %	Yes
<b>Non-Executive</b>									
John Johnson	30,832	—	—	—	30,832	39,168	—	n/a	n/a
Cynthia M. Butitta	117,094	—	—	—	107,094	10,001	—	n/a	n/a
Jay Backstrom, M.D., MPH <sup>3</sup>	41,943	—	—	—	41,943	15,557	—	n/a	n/a
John Berriman	212,028	—	—	—	75,697	10,001	—	n/a	n/a
Joseph Anderson, Ph.D.	59,999	—	—	—	59,999	10,001	—	n/a	n/a
Kapil Dhingra, M.D.	149,234	—	—	—	75,697	10,001	—	n/a	n/a
Linda Bain	91,396	—	—	—	91,396	10,001	—	n/a	n/a
Martin Murphy, Ph.D. <sup>4</sup>	33,587,161	—	—	—	59,999	10,001	—	n/a	n/a
William Young, Ph.D.	19,026	—	—	—	19,026	25,974	—	n/a	n/a

<sup>1</sup> During the year ended 31 December 2022, performance-based restricted stock units granted to Dr. Itin in January 2021, vested upon the achievement of a specified clinical milestone. Ordinary shares related to this vest were issued in April 2023.

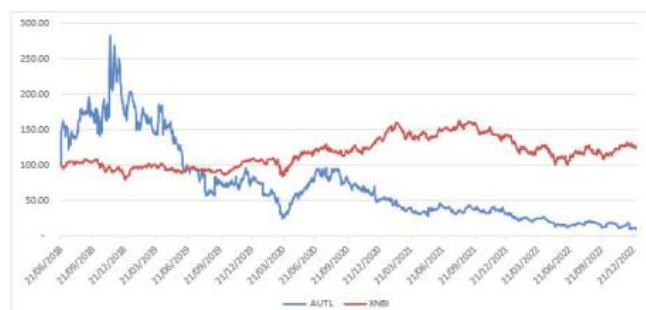
<sup>2</sup> Included in Dr. Itin's beneficially owned ordinary shares figure is 1,066,009 ordinary shares arising from the historic vesting of restricted ordinary shares in prior years. The calculation is based on Dr. Itin's 1,066,009 ordinary shares owned multiplied by the closing price of Autolus Therapeutics plc's ADSs of £1.58 (\$1.90) on 31 December 2022, divided by his base salary of £415,000.

<sup>3</sup> Dr. Backstrom resigned from the Board effective 28 February 2023.

<sup>4</sup> The information shown is based, in part, upon disclosures filed on a Schedule 13G/A on February 14, 2023 by Syncona Portfolio Limited. The number reported consists of (i) 12,180,333 ordinary shares and (ii) 21,346,829 ADSs. Syncona Portfolio Limited is a wholly owned subsidiary of Syncona Holdings Limited, which, in turn, is a wholly controlled subsidiary of Syncona Limited, a publicly-listed company. Each of Syncona Holdings Limited and Syncona Limited may be deemed to have voting and dispositive power over the securities held by Syncona Portfolio Limited. Investment and voting decisions with respect to these securities are made by Syncona Portfolio Limited acting upon the recommendation of an investment committee of Syncona Investment Management Limited, also a subsidiary of Syncona Holdings Limited. The members of this investment committee consist of Nigel Keen, Martin Murphy and Chris Hollowood. The address for Syncona Portfolio Limited is Arnold House, St Julian's Avenue, St Peter Port, Guernsey GY1 3RD, Channel Islands. Dr. Murphy disclaims beneficial ownership of these shares except to the extent of any pecuniary interest therein.

### Performance graph

The chart below shows the Company's Total Shareholder Return performance compared with that of the NASDAQ Biotechnology Index ("NBI") over the period from the Initial public offering to 31 December 2022. The NBI has been chosen as an appropriate comparator as it comprises similar companies to Autolus from the pharmaceuticals and biotechnology sectors. TSR is defined as the return on investment obtained from holding a company's shares over a period. It includes dividends paid, the change in the capital value of the shares and any other payments made to or by shareholders within the period.



# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### Aligning pay with performance

The total remuneration figure for the CEO during the year ended 31 December 2022 is shown in the table below, along with the value of bonuses paid, and LTIP vesting, as a percentage of the maximum opportunity.

CEO	Financial year 2022	Financial year 2021	Financial year 2020
Total remuneration (£'000)	£702.0	£608.5	£511.5
Actual bonus (% of the maximum) <sup>2</sup>	37.5%	42.5%	25%
LTIP vesting (% of the maximum)	N/A <sup>1</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>

<sup>(1)</sup> During the year ended 31 December 2022, performance-based restricted stock units granted to Dr. Itin in January 2021, vested upon the achievement of a specified clinical milestone. The value of the performance-based awards in the table is based on the market value of underlying shares at the date of vesting. There is no maximum LTIP percentage per the remuneration policy.

<sup>(2)</sup> Dr. Itin's actual bonus as a percentage of the maximum eligible bonus for the years ended 31 December 2021 and 2020, respectively have been updated to reflect his actual bonus as a percentage of the maximum eligible bonus of 120%.

<sup>(3)</sup> No performance-based long-term incentive awards were eligible to vest over the period. The CEO received awards of market-value options in 2021 and late 2019 which are eligible to vest in tranches starting from the grant date and onwards; however, these are subject to continued employment. Furthermore, the Directors' Remuneration Policy imposes no maximum opportunity under the Equity Incentive Plan.

### Percentage change in remuneration of directors and employees

The table below illustrates the increase in salary, benefits and annual bonus for the non-executive directors as a whole and that of the Company's employees as a whole as between the financial years ended 31 December 2022 and 2021, respectively. For the year ended 31 December 2022, the base salary of the CEO was maintained at £415,000.

For the year ended 31 December 2022	Base salary	Annual bonus	Taxable benefits
CEO <sup>1</sup>	3.3%	(8.5)%	5219.0%
Non-Executive Directors <sup>2</sup>	16.5%	—%	—%
Average percentage change of all employees <sup>3</sup>	(2.6)%	9.9%	(6.4)%

<sup>(1)</sup> In 2021, Autolus's CEO voluntarily deferred his annual merit increase due to the 2020-2021 COVID crisis effects. In 2022, CEO's basic salary has increased by 3% (from £401,700 to £415,000), in line with the Company's 2022 merit budget. The year-on-year variance of the CEO's variable compensation reflects a combined effect of the annual bonus pay out decrease, due to the change in the corporate score (85% in 2021 vs 75% in 2022) and the performance based RSU grant vested in December 2022 in total value of £70,975.

The variation on the other taxable benefits (non RSU income) is generated by travel expenses. These have been very limited in the last 2 years due to the COVID pandemic.

<sup>(2)</sup> The change in percentage of base salary for non-executive directors is due to an increase in retainer fees for twelve months ended 31 December 2022 compared to 2021.

<sup>(3)</sup> In 2022, the Company has been focused on building various operational teams, for example, warehouse, supply chain and manufacturing to ensure the successful completion of our new commercial manufacturing facility, which has partially been handed over to us in November 2022, known as the "Nucleus". This means recruitment for such operational roles mentioned above that comprise of remuneration package made of a lower salary and operations related allowances and payments, such as shift allowances which can vary between 13%-18%, on-call allowances and overtime. 2022 has been an important year in Autolus's evolution and major business milestones have been reached which has led to an increase in the variable compensation components. Despite the small increase in the benefits premiums following the annual renewal and the annual merit cycle, the salary and total pay benefits average amounts have decreased by c.3%, due to the HR transactions implemented throughout the year.

The table below illustrates the increase in salary, benefits and annual bonus for the non-executive directors as a whole and that of the Company's employees as a whole as between the financial years ended 31 December 2021 and 2020, respectively. For the year ended 31 December 2021, the base salary of the CEO was maintained at £401,700.

For the year ended 31 December 2021	Base salary	Annual bonus	Taxable benefits
CEO	5.3%	69.4%	—%
Non-Executive Directors <sup>1</sup>	10.7%	—%	—%
Average percentage change of all employees <sup>2</sup>	(7.0)%	86.0%	(20.0)%

<sup>(1)</sup> The change in percentage of base salary for non-executive directors is due to the addition of 2 directors.

<sup>(2)</sup> The change in percentage of base salary for all employees is primarily due to a 20% reduction in workforce which was implemented in January 2021.

<sup>(3)</sup> Average percentage change of all employees is calculated based on the number of employees at 31 December 2020 and 2021, respectively.



# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

The table below illustrates the increase in salary, benefits and annual bonus for the non-executive directors as a whole and that of the Company's employees as a whole as between the financial years ended 31 December 2020 and the fifteen month period ended 31 December 2019, respectively. For the year ended 31 December 2020, the base salary of the CEO was maintained at £381,600.

For the year ended 31 December 2020	Base salary	Annual bonus	Taxable benefits
CEO	(22.0)%	(37.0)%	(86.0)%
Non-Executive Directors	(15.0)%	—%	—%
Average percentage change of all employees	8.0%	(15.0)%	13.0%

<sup>(1)</sup> For the 12 months ended 31 December 2020, the base salary of the CEO was increased by 3% to GBP £401,700. In addition, he volunteered to a 20% pay reduction in the second quarter of 2020 due to the COVID-19 pandemic.

<sup>(2)</sup> The change in percentage of base salary for non-executive directors is due to the addition of 1 director in the year ended 31 December 2020 offset in part by a voluntary 20% pay reduction in the second quarter of 2020 due to the COVID-19 pandemic.

<sup>(3)</sup> Average percentage change of all employees is calculated in relation to the 15-month period ended 31 December 2019 based on the number of employees at 31 December 2019 compared to the 12-month period ended 31 December 2020 based on the number of employees at 31 December 2020.

### CEO pay ratio

The year ended 31 December 2022, was the third year in respect of which the Company is required to disclose this information under the applicable regulations.

Year	Methodology	25th Percentile	50th Percentile	75th Percentile
2020	Option A	14.00:1	11.64:1	7.84:1
2021	Option A	14.55:1	11.10:1	6.91:1
2022	Option A	16.04:1	12.66:1	8.85:1

The pay ratios above are calculated using actual earnings for the CEO and UK employees. The CEO total single figure remuneration of £702.0 (in £'000) is given on page 34 of this Report.

Total remuneration for all UK full-time equivalent employees of the Group on 31 December 2022, 2021 and 2020 has been calculated in line with the single figure methodology and reflects their actual earnings received for the applicable year (including performance bonuses accrued in a year, and paid in the following year), which were used to produce the percentile calculation under Option A of the applicable regulations. The Group believes that Option A is the most comprehensive and accurate way to calculate these ratios.

The Committee believes that the median pay ratio is consistent with the pay, reward and progression policies for the Group's UK employees taken as a whole. The base salary for all employees, including our CEO, are determined based on similar factors: market practice, experience and complexity of the role.

Set out in the table below is the base salary, and total pay and benefits for each of the percentiles included in the table above for the year ended 31 December 2022.

£	25th Percentile	50th Percentile	75th Percentile
Salary	34,133	39,329	64,200
Total pay and benefits	43,757	55,458	79,343

## AUTOLUS THERAPEUTICS PLC

### Directors' Remuneration Report

For the year ended 31 December 2022

#### Relative importance of spend on pay

The table below illustrates the Company's expenditure on pay by the Company and its direct and indirect subsidiaries for the year ended 31 December 2022 and 2021, respectively. Given that the Company remains in the early phases of its business life cycle, the comparator chosen to reflect the relative importance of the Company's spend on pay is the Company's research and development expenses as shown in its consolidated income statement disclosed on page 53. Dividend distribution comparators have not been included as the Company has no history of such transactions.

	12 months to 31 December 2022	12 months to 31 December 2021	% Change
Research and development expenses	£112.6m	£96.1m	17.2%
Total employee pay expenditure <sup>1</sup>	£43.1m	£37.6m	14.6 %

<sup>1</sup> Total employee pay expenditure excludes the value of equity based awards as recognised in the consolidated financial statements in accordance with International Financial Reporting Standard 2 "Share-based payments".

#### Statement of Implementation of Remuneration Policy in 2023

There have been no significant changes in the way that the remuneration policy will be implemented in the 2023 financial year compared to how it was implemented in the 2022 financial year. There have been no deviations from the procedure for the implementation of the remuneration policy set out in that policy.

#### Annual base salary

For the 2023 financial year, the CEO's salary was increased by 4% to £432,000.

	Base salary 2022	Base salary 2023 (effective from 1 Jan 2023)
<b>Executive Directors</b>		
Christian Itin, Ph.D.	£415,000	£432,000

#### Benefits and pension

In April 2019, the CEO opted out of the pension contribution scheme. While the CEO has opted out of the scheme, he remains eligible for 5% contribution under the terms of his contract.

#### Bonus

The 2023 annual bonus target opportunity for the CEO is 60% of his base salary. The executive director remuneration policy would allow the Committee to provide the CEO with the opportunity to receive 200% of the target bonus upon achievement of specified stretch targets. However, as of the date of this Report, no stretch targets have been specified for the 2023 financial year. Bonuses will be paid entirely in cash and will be based entirely on the achievement of corporate financial, operational and strategic objectives.

Specific targets are commercially sensitive and therefore are not disclosed in advance. However, a general description of the targets and performance against them will be disclosed in next year's Annual Report and Accounts.

#### Equity incentive plan

In twelve months ending 31 December 2023, the CEO received the following equity awards: in March 2023, an option to purchase 500,000 ADSs with an exercise price as at the grant date; this option has the Company's standard four-year vesting period, with 25% vesting on the first anniversary of the grant date and the balance remaining vesting in equal monthly instalments thereafter.

The Committee may consider other awards for the CEO under the EIP at a future date where appropriate.



# AUTOLUS THERAPEUTICS PLC

## Directors' Remuneration Report

For the year ended 31 December 2022

### Non-Executive Directors' fees

Non-Executive Directors will receive the following annual retainers for the 2023 financial year, which will be paid in cash:

<b>Base fee:</b>		
Chair of the board of directors <sup>1</sup>	£	52,500
Board member	£	31,500
<b>Additional fees:</b>		
Lead Independent Director	£	12,000
Audit Committee Chair	£	13,000
Audit Committee member	£	6,500
Compensation Committee Chair	£	10,000
Compensation Committee member	£	5,000
Nomination & Corporate Governance Committee Chair	£	7,000
Nomination & Corporate Governance Committee member	£	3,500
Research & Development Committee Chair	£	12,000
Research & Development Committee member	£	6,000

<sup>1</sup> As of 25 May 2023, our Chairman of the Board is J. Johnson, a non-executive director.

An annual award of 20,000 fair market value stock options will be made to non-executive directors on the date of the AGM. The Committee acknowledges that awards of stock options to non-executive directors is not in line with UK practice. However, given the Company's NASDAQ listing, the Committee believes it is necessary to attract and retain the highest quality directors from the United States, UK and global markets. Non-executive directors will not be eligible to participate in any performance-based incentive plans.

Each non-executive director will also be entitled to reimbursement of reasonable expenses.

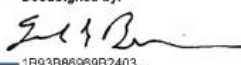
### Shareholder voting on remuneration matters at AGM

The table below sets out the previous votes cast at our AGM in June 2022 in respect of the Annual Remuneration Report.

	For	% For	Against	% Against	Votes Total	% of ISC Voted	Withheld
Annual Remuneration report (Resolution 2)	83,188,213	93.40 %	5,875,033	6.60 %	89,063,246	97.96 %	157,092
Director Remuneration policy (Resolution 3)	83,205,733	93.43 %	5,847,052	6.57 %	89,052,785	97.95 %	167,553

Withheld votes are not counted when calculating voting outcomes.

On behalf of the Board,

DocuSigned by:  
  
1B93B86969B2403...

John Berriman

Chair of the Compensation Committee

25 May 2023

**Independent Auditor's Report to the Members of Autolus Therapeutics plc**  
**For the year ended 31 December 2022**

**Opinion**

In our opinion:

- Autolus Therapeutics plc's group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Autolus Therapeutics plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022 which comprise:

Group	Parent company
Consolidated balance sheet as at 31 December 2022	Balance sheet as at 31 December 2022
Consolidated income statement and other comprehensive loss for the year ended 31 December 2022	Statement of changes in equity for the year ended 31 December 2022
Consolidated cash flow statement for the year ended 31 December 2022	Related notes 1 to 10 to the financial statements including a summary of significant accounting policies
Consolidated statement of changes in equity for the year ended 31 December 2022	
Related notes 1 to 29 to the financial statements, including a summary of significant accounting policies	

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

**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 Group and parent 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 as applied to listed entities, 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.

## **Independent Auditor's Report to the Members of Autolus Therapeutics plc**

**For the year ended 31 December 2022**

### **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. Our evaluation of the directors' assessment of the Group and parent company's ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Group's financial close process, we confirmed our understanding of management's Going Concern assessment process and also engaged with management early to ensure all key factors were considered in their assessment, including factors which we determined from our own independent risk assessment and the evaluation of any operational and economic impacts of the Russia/Ukraine conflict on the Group.
- We obtained management's going concern assessment, including the cash forecast for the period to 30 June 2024. As part of this assessment, the Group has modelled a number of adverse scenarios in their cash forecasts, including removal of milestone payments, and inflation impact in their scenarios in order to incorporate unexpected changes to the forecasted liquidity of the Group.
- We performed a check of clerical accuracy on management's cash flow forecast and agreed it to the board approved budget.
- We assessed the reasonableness of the cash flow forecast through analysing management's historical forecasting accuracy and considered actual post year end performance to date. We evaluated the key assumptions underpinning the Group's assessment by challenging the measurement and completeness of scenarios modelled by management and how these compare with principal risks and uncertainties of the Group.
- We have tested the factors and assumptions included in the cash flow forecast, including the level of forecast research and development (R&D) costs and general and administrative expenditure. We understood the methods used to calculate the cash forecast and considered whether they were appropriate for the entity.
- We performed a sensitivity analysis by removing all future cash inflows from the model, and increasing the inflation rate and operating expenses under multiple scenarios and considered the impact on the projected cash balance at 30 June 2024.
- We reviewed the Group's going concern disclosures included in the annual report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

The results from both management's evaluation and our independent testing have confirmed that the activities of the Group have not been significantly impacted by the Russia/Ukraine conflict and are not expected to be significantly impacted by this in the going concern assessment period. Management's base case includes certain future cash inflows including tax credits. Our independent stress tests show that even if a wide range of downside risks including program delays and non-receipt of income such as tax credits are taken into account, the business retains sufficient liquidity to fund its activities throughout the going concern review period.

At 31 December 2022, the Group had total cash resources (being cash and short-term deposits) of £316.3 million.

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 Group and parent company's ability to continue as a going concern for a period to 30 June 2024.

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 Group's ability to continue as a going concern.

## Independent Auditor's Report to the Members of Autolus Therapeutics plc

For the year ended 31 December 2022

### Overview of our audit approach

Audit scope	<ul style="list-style-type: none"><li>We performed an audit of the complete financial information of two components and audit procedures on specific balances for two further components.</li><li>The components where we performed full or specific audit procedures accounted for 100% of the Group's adjusted operating costs, 100% of the Group's licence revenue, and 100% of the Group's total assets.</li></ul>
Key audit matters	<ul style="list-style-type: none"><li>Revenue recognition</li><li>Research and Development ("R&amp;D") costs and accruals.</li><li>Lease arrangement for new facility in Stevenage</li><li>Impairment assessment of investment in subsidiaries (Parent Company only)</li></ul>
Materiality	<ul style="list-style-type: none"><li>Overall group materiality of £2.69m which represents 2% of adjusted operating costs.</li></ul>

### An overview of the scope of the parent and group audits

#### Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each company within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account size, risk profile, the organisation of the Group, changes in the business environment, the potential impact of climate and other factors such as local statutory reporting requirements when assessing the level of work to be performed at each company.

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, of the five reporting components of the Group, we selected four components covering entities within the United Kingdom, United States of America and Germany, which represent the principal business units within the Group.

Of the four components selected, we performed an audit of the complete financial information of two components ("full scope components") which were selected based on their size or risk characteristics. For the remaining components ("specific scope components"), we performed audit procedures on specific accounts within that components that we considered had the potential for the greatest impact on the significant accounts in the financial statements either because of the size of these accounts or their risk profile.

The reporting components where we performed audit procedures accounted for 100% (2021: 100%) of the Group's adjusted operating costs, 100% (2021: 100%) of the Group's licence revenue, and 100% (2021: 100%) of the Group's total assets. For the current year, the full scope components contributed 90% (2021: 90%) of the Group's adjusted operating costs, 41% (2021: 100%) of the Group's licence revenue, and 77% (2021: 80%) of the Group's total assets. The specific scope components contributed 10% (2021: 10%) of the Group's adjusted operating costs, 59% (2021: 0%) of the Group's licence revenue, and 23% (2021: 20%) of the Group's total assets. The audit scope of these components may not have included testing of all significant accounts of the component but will have contributed to the coverage of significant accounts tested for the Group.

The remaining component does not contribute to the Group's adjusted operating costs. For this component, we performed other procedures, including the testing of consolidation journals and intercompany eliminations to respond to any potential risks of material misstatement to the Group financial statements.

#### Changes from the prior year

For the current year, we included an additional entity, based in the United Kingdom, as a specific scope entity, compared with out of scope in the prior year. This determination was made through our updated risk assessment and the entity's contribution to Group revenue in the period. There have been no other significant changes in the scoping of our Group audit.

#### Involvement with component teams

All audit work performed for the purposes of the audit was undertaken by the Group audit team.

## Independent Auditor's Report to the Members of Autolus Therapeutics plc

For the year ended 31 December 2022

### Climate change

There has been increasing interest from stakeholders as to how climate change will impact Autolus Therapeutics plc. The Group has determined that climate change does not have a material impact on the recognition and measurement of the assets and liabilities in these financial statements as at 31 December 2022 as disclosed in note 2 to the financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated.

Our audit effort in considering climate change was focused on evaluating management's assessment of the impact of climate risk, physical and transition, and ensuring that the effects of climate risks disclosed on Strategic Report Environmental Matters and note 2 to the financial statements. We also challenged the Directors' considerations of climate change in their assessment of going concern and associated disclosures.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<b>Revenue recognition</b>  Refer to the Accounting Policies; and Note 5 of the Consolidated Financial Statements.  Risk due to fraud in revenue recognition, related to upfront payments and milestones leading to incorrect revenue recognition under IFRS 15.	Our principal audit procedures included: <ul style="list-style-type: none"><li>• Performed a walkthrough of the revenue process and gained an understanding of the design of key controls.</li><li>• Obtained and reviewed management's accounting memo's and related license agreements focusing on key terms of the contract and the accounting impact.</li><li>• Reviewed finance and legal meeting minutes near year end where progress and milestones of the license agreement were discussed to ensure completeness of revenue recognised as at the balance sheet date.</li><li>• We performed detailed testing by assessing whether the accounting treatment is in line with IFRS 15 and that performance obligations related to revenue recognized had been satisfied.</li></ul>	We conclude that revenue has been recognised in accordance with IFRS 15 and disclosed appropriately in the financial statements.

# Independent Auditor's Report to the Members of Autolus Therapeutics plc

For the year ended 31 December 2022

Risk	Our response to the risk	Key observations communicated to the Audit Committee
	<ul style="list-style-type: none"> <li>We vouched cash receipts for revenue transactions and where receivables were outstanding at the year end, assessed that their collection was highly probable.</li> </ul>	
<p><b>R&amp;D costs and accruals.</b></p> <p>Refer to the Accounting Policies; and Note 16 of the Consolidated Financial Statements.</p> <p>The Group has a number of arrangements with Contract Research Organisations (CRO's) and other third parties for the provision of clinical or R&amp;D services. There is a risk that the costs associated with these contracts may not be appropriately accounted for, particularly for contracts entered into at or near period end.</p>	<p>Our principal audit procedures included:</p> <ul style="list-style-type: none"> <li>We reviewed management's contract register and selected significant new and amended contracts to test, with a lower threshold applied to contracts close to period end.</li> <li>For the contracts selected, we have reviewed the signed agreements and assessed management's accounting treatment of the contract. We also tested the associated costs and verified if appropriate amount of accruals and/or prepayments were recorded.</li> <li>We selected a sample of expenses for occurrence testing, with amounts and other details agreed back to supporting documentation. For each sample we determined if the item was classified correctly as R&amp;D or G&amp;A based on our understanding of the R&amp;D classification.</li> <li>We confirmed the completeness of expenses and accruals recorded by testing invoices received subsequent to the period end and checking whether they were properly recorded.</li> <li>We assessed the adequacy of related disclosures in the Group's financial statements.</li> </ul>	<p>We have concluded that the Group's arrangement and contracts with CRO's have been appropriately accounted for and the related disclosures are appropriate.</p>



# Independent Auditor's Report to the Members of Autolus Therapeutics plc

For the year ended 31 December 2022

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p><b>Lease arrangement for new facility in Stevenage</b></p> <p>Refer to the Accounting Policies; and Note 23 of the Consolidated Financial Statements.</p> <p>In 2021, the Company signed a contract under which it agreed to subsequently enter a lease for a new facility in Stevenage. While the lease has not yet been signed, during the period, the landlord handed over the first of three clean rooms thereby providing access to the Company of a portion of the new facility, thus meeting the definition of a lease in accordance with IFRS16.</p> <p>A lease agreement will be signed upon handover of the entire facility. There is a risk of improper accounting for the current agreements and the associated costs and payments.</p>	<p>Our principal audit procedures included:</p> <ul style="list-style-type: none"> <li>• Performed a walkthrough of the lease process and gained an understanding on the design of key controls.</li> <li>• Obtained and reviewed management's accounting memo and related lease arrangement. We engaged our accounting technical team to support our assessment of the accounting for the lease.</li> <li>• We assessed the reasonableness of the incremental borrowing rate used to discount the forecast lease payments associated with the first of three clean rooms</li> <li>• We validated the key inputs back to the contract and reperformed the calculation of the related right of use assets and lease liability.</li> <li>• We assessed the adequacy of related disclosures in the Group's financial statements.</li> </ul>	<p>We have concluded that the accounting treatment and the related disclosures are appropriate in accordance with IFRS 16.</p>
<p><b>Impairment assessment of investment in subsidiary undertakings (parent company)</b></p> <p>Refer to the Accounting Policies; and Note 7 of the Parent Company Financial Statements.</p> <p>In the parent company financial statements, we have identified a risk that investments may be impaired. Under FRS 102, an entity should test for impairment in its investments in subsidiaries that are carried at cost where an indicator of impairment has been identified.</p> <p>The market value of the Company is currently below the carrying value of the investment in subsidiaries and therefore there is an indicator of impairment.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood the impairment analysis and calculation process (e.g. controls over the data and assumptions used)</li> <li>• Assessed management's projections for reasonableness, including comparison against forecasts used in valuing the Blackstone collaboration liability.</li> <li>• Assessed whether management have used an appropriate discount rate and long-term growth rate by comparing against analyst reports and an industry benchmark WACC.</li> </ul>	<p>From the procedures performed, we conclude that the methodology used by management is in accordance with the requirements of the standard and the key assumptions and cash flows applied are reasonable and within an acceptable range.</p> <p>Our sensitivity analysis showed that the value in use calculation has sufficient headroom to allow for any downside variances during the upcoming years' forecasts before an impairment is required.</p> <p>We considered the disclosures in relation to management's impairment review to be appropriate.</p>



# Independent Auditor's Report to the Members of Autolus Therapeutics plc

For the year ended 31 December 2022

Risk	Our response to the risk	Key observations communicated to the Audit Committee
	<ul style="list-style-type: none"> <li>We performed sensitivity analysis as part of our assessment of cash outflows and whether there is sufficient available headroom.</li> <li>Reviewed a range of external analyst reports to determine whether their assessments and target share price supported the carrying value of the investment in subsidiaries.</li> <li>We ensured that the disclosures made in the Parent Company only financial statements are in line with FRS 102.</li> </ul>	

In the prior year, our auditor's report included a key audit matter in relation to Revenue Recognition, R&D costs and accruals, Blackstone collaboration agreement and Impairment assessment of investment in subsidiary undertakings (parent company). In the current year our auditor's report excluded a key audit matter in relation to the Blackstone collaboration agreement because the accounting for the arrangements were determined in the previous year and there were no fundamental changes or complex changes in the current year. A new key audit matter in respect of the a Lease arrangement for new facility in Stevenage has been included in the current year, due to its accounting complexity and materiality.

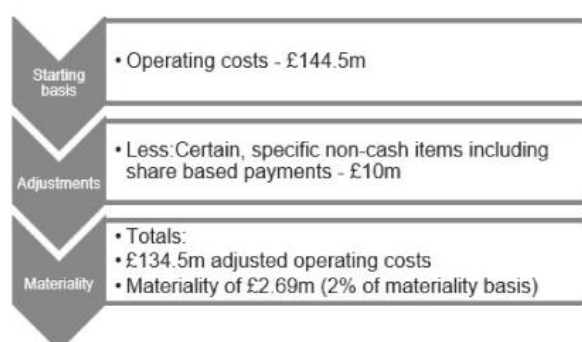
## Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

## Materiality

*The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.*

We determined materiality for the Group to be £2.69 million (2021: £2.25 million), which is 2% (2021: 2%) of adjusted operating costs. We believe that adjusted operating costs provides us with an appropriate basis upon which to set materiality, since the Group is in the development stage of its life cycle and is investing in research and development, with no significant operating income to date.



## **Independent Auditor's Report to the Members of Autolus Therapeutics plc**

**For the year ended 31 December 2022**

We determined materiality for the Parent Company to be £4.2 million (2021: £3.7 million), which is 0.5% (2021: 0.5%) of total assets. Materiality for the Parent Company is higher than for Group, due to the underlying basis on which it is calculated. The Parent Company's purpose is to raise funds to finance the Group's operations, and therefore we believe that a asset-based measure is the most suitable basis on which to calculate materiality.

### **Performance materiality**

*The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.*

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2021: 50%) of our planning materiality, namely £1.35m (2021: £1.21m). We have set performance materiality at this percentage due to the rate of change in the business and existence of audit differences in the previous year.

Audit work at component locations for the purpose of obtaining audit coverage over significant financial statement accounts is undertaken based on a percentage of total performance materiality. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £0.27m to £1.14m (2021: £0.51m to £1.12m).

### **Reporting threshold**

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.13m (2021: £0.12m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

### **Other information**

The other information comprises the information included in the annual report the Strategic Report, Directors' Report and Directors' Remuneration 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 this gives rise to 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.

## **Independent Auditor's Report to the Members of Autolus Therapeutics plc**

**For the year ended 31 December 2022**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with 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 Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited 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, 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 Group and parent 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 Group or the parent 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 company and management.

## Independent Auditor's Report to the Members of Autolus Therapeutics plc

For the year ended 31 December 2022

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant frameworks that are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK-adopted IFRS, FRS 102, and the Companies Act 2006), the relevant tax compliance regulations in the jurisdictions in which the Group operates and the EU General Data Protection Regulations (GDPR).
- We understood how Autolus Therapeutics plc is complying with those frameworks by making enquires of management and those responsible for legal and compliance procedures. We assessed whether there was a culture of honesty and ethical behaviour and whether appropriate emphasis is placed on fraud prevention. We corroborated our enquires through our review of Board minutes and papers provided to the Audit Committee.
- We assessed the susceptibility of the Group'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 and 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 non-compliance with such laws and regulations. Our procedures involved enquiries of Group management and those charged with governance, legal counsel; and journal entry testing with a focus on manual consolidation journals and journals indicating large or unusual transactions based on our understanding of the Group.

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.



Adrian Bennett (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Reading

26 May 2023

**AUTOLUS THERAPEUTICS PLC**  
**Consolidated Income Statement and Other Comprehensive Loss**

<b>For the year ended 31 December</b>	<b>Note</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
License revenue	5	5,272	1,079
General and administrative expenses		(28,210)	(23,545)
Research and development expenses		(112,605)	(96,105)
Other operating income		351	4,735
Other operating expense		(1,599)	(2,256)
<b>Operating Loss</b>	6	<b>(136,791)</b>	<b>(116,092)</b>
Finance income	7	8,701	923
Finance expense	7	(8,585)	(3,257)
<b>Loss before taxation</b>		<b>(136,675)</b>	<b>(118,426)</b>
Taxation	10	19,319	16,171
<b>Loss for the year</b>		<b>(117,356)</b>	<b>(102,255)</b>
<b>Other comprehensive loss for the year</b>			
Foreign currency translation adjustment		(1,624)	(32)
<b>Total comprehensive loss for the year</b>		<b>(118,980)</b>	<b>(102,287)</b>
Basic and diluted net loss for the year attributable to ordinary equity holders of the parent	11	£ (1.24)	£ (1.42)

The notes on pages 57 to 104 are an integral part of these consolidated financial statements.

All the activities of the Group are classed as continuing operations.

**AUTOLUS THERAPEUTICS PLC**  
**Consolidated Balance Sheet**

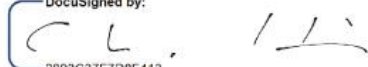
As at 31 December	Note	2022 £'000	2021 £'000
<b>Non-current assets</b>			
Property, plant & equipment	12	29,150	24,853
Intangible assets	13	9,455	10,664
Right-of-use assets	23	17,628	12,303
Other long-term receivables	14	3,002	2,949
Deferred tax asset	10	389	365
		<u>59,624</u>	<u>51,134</u>
<b>Current assets</b>			
Cash and cash equivalents	20	316,332	229,702
Restricted cash		269	250
Other receivables	15	34,008	26,042
		<u>350,609</u>	<u>255,994</u>
<b>Total assets</b>		<u><b>410,233</b></u>	<u><b>307,128</b></u>
<b>Non – current liabilities</b>			
Lease liability – non-current	23	(15,897)	(12,246)
Liability related to future royalties and sales milestones, net	21	(104,138)	(34,604)
Other long-term payables		(94)	(94)
		<u>(120,129)</u>	<u>(46,944)</u>
<b>Current liabilities</b>			
Trade and other payables	16	(33,123)	(17,832)
Lease liability – current	23	(4,167)	(3,295)
Warrant derivative liability	22	(1,622)	(7,176)
		<u>(38,912)</u>	<u>(28,303)</u>
<b>Total liabilities</b>		<u><b>(159,041)</b></u>	<u><b>(75,247)</b></u>
<b>Net assets</b>		<u><b>251,192</b></u>	<u><b>231,881</b></u>
<b>Equity</b>			
Share capital	18	5	3
Deferred shares	18	88	88
Share premium account	17	548,031	424,080
Share based payment reserve	17	69,678	58,588
Merger Reserve	17	(85,924)	(85,924)
Currency translation reserve	17	1,656	32
Retained losses	17	(282,342)	(164,986)
<b>Equity attributable to equity holders of the parent</b>		<u><b>251,192</b></u>	<u><b>231,881</b></u>

The notes on pages 57 to 104 are an integral part of these consolidated financial statements.

## AUTOLUS THERAPEUTICS PLC

### Consolidated Balance Sheet

These financial statements were approved by the Board and authorised for issue on 25 May 2023 and were signed on its behalf by:

DocuSigned by:  
  
2893C37F7D8F413...  
Christian Itin  
Director

Company registered number: 11185179

Date: 25 May 2023

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

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**AUTOLUS THERAPEUTICS PLC**  
**Consolidated Statement of Changes in Equity**

	Share capital £'000	Share premium account £'000	Deferred shares £'000	Share based payment reserve £'000	Merger reserve £'000	Currency translation reserve £'000	Retained losses £'000	Total £'000
<b>Balance at 31 December 2020</b>	<b>2</b>	<b>257,553</b>	<b>88</b>	<b>50,817</b>	<b>(85,924)</b>	<b>—</b>	<b>(62,731)</b>	<b>159,805</b>
Loss for the year	—	—	—	—	—	—	(102,255)	(102,255)
Other comprehensive loss for the year	—	—	—	—	—	32	—	32
Exercise of share options	—	89	—	—	—	—	—	89
Issuance of ordinary shares from equity raises	1	174,718	—	—	—	—	—	174,719
Issuance costs arising from equity capital raises	—	(8,280)	—	—	—	—	—	(8,280)
Share based payment expense	—	—	—	7,771	—	—	—	7,771
<b>Balance at 31 December 2021</b>	<b>3</b>	<b>424,080</b>	<b>88</b>	<b>58,588</b>	<b>(85,924)</b>	<b>32</b>	<b>(164,986)</b>	<b>231,881</b>
Loss for the year	—	—	—	—	—	—	(117,356)	(117,356)
Other comprehensive loss for the year	—	—	—	—	—	1,624	—	1,624
Exercise of share options	—	96	—	—	—	—	—	96
Issuance of ordinary shares from equity raises	2	133,173	—	—	—	—	—	133,175
Issuance costs arising from equity capital raises	—	(9,318)	—	—	—	—	—	(9,318)
Share based payment expense	—	—	—	11,090	—	—	—	11,090
<b>Balance at 31 December 2022</b>	<b>5</b>	<b>548,031</b>	<b>88</b>	<b>69,678</b>	<b>(85,924)</b>	<b>1,656</b>	<b>(282,342)</b>	<b>251,192</b>

The notes on pages 57 to 104 are an integral part of these consolidated financial statements.

**AUTOLUS THERAPEUTICS PLC**  
**Consolidated Cash Flow Statement**

For the year ended 31 December	Notes	2022 £'000	2021 £'000
<b>Loss for the year</b>		<b>(117,356)</b>	<b>(102,255)</b>
<b>Adjustments for:</b>			
Income tax credit	10	(19,319)	(16,171)
Depreciation of property and equipment	13	5,934	5,641
Amortisation of right-of-use assets	23	2,950	3,133
Amortisation of intangibles assets	12	49	67
Interest income	7	(1,449)	(193)
Foreign exchange differences		5,167	748
Share based payment expense	19	11,090	7,771
Interest expense charged on lease liabilities	23	1,039	1,655
Interest expense paid on lease liabilities	23	(1,039)	(2,481)
Loss on disposal of property and equipment	6	439	2,256
Loss on disposal of intangible assets	6	1,160	25
Fair value measurement on warrant derivative liability	7	(5,554)	(730)
Interest payable on liability related to future royalties and sales milestones, net	7	6,509	819
Cumulative catchup adjustment on liability related to future royalties and sales milestones, net	7	981	—
Gain on lease terminations	6	—	(2,629)
Termination fee arising from termination of lease	6	—	(1,466)
Operating cash flows before movements in working capital		<b>(109,399)</b>	<b>(103,810)</b>
(Increase ) / decrease in receivables		(5,328)	5,161
Increase / (decrease) in payables		12,324	(2,909)
<b>Cash used in operations</b>		<b>(102,403)</b>	<b>(101,558)</b>
Income taxes received, net		16,691	17,774
<b>Net cash used in operating activities</b>		<b>(85,712)</b>	<b>(83,784)</b>
<b>Investing activities</b>			
Interest received		693	186
Purchase of property and equipment		(8,989)	(6,589)
Proceeds from termination of lease assets		—	1,466
Purchase of intangibles assets		—	—
<b>Net cash used in investing activities</b>		<b>(8,296)</b>	<b>(4,937)</b>
<b>Financing activities</b>			
Proceeds from issuance of ordinary share capital		133,271	179,910
Proceeds from liabilities related to future royalties and sales milestones	21	56,816	37,061
Payment of Issuance costs from issuance of ordinary share capital		(8,421)	(8,268)
Payment of issuance costs paid from liabilities related to future royalties and sales milestones		—	(414)
Payment of principal portion of lease liabilities	23	(2,807)	(1,769)
<b>Net cash from financing activities</b>		<b>178,859</b>	<b>206,520</b>
<b>Net increase in cash, cash equivalents and restricted cash</b>		<b>84,851</b>	<b>117,799</b>
<b>Cash, cash equivalents and restricted cash at beginning of period</b>	20	<b>229,952</b>	<b>112,752</b>
Effect of exchange rate change on cash, cash and restricted cash		1,798	(599)
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>20</b>	<b>316,601</b>	<b>229,952</b>

The notes on pages 57 to 104 are an integral part of these consolidated financial statements.

# **AUTOLUS THERAPEUTICS PLC**

## **Notes to the Consolidated Financial Statements**

### **For the year ended 31 December 2022**

#### **1. General overview**

Autolus Therapeutics plc is a public company incorporated, domiciled and registered in England in the United Kingdom. The registered number is 11185179 and the registered address is The MediaWorks, 191 Wood Lane, London W12 7FP, United Kingdom.

The consolidated financial statements of Autolus Therapeutics plc and the entities controlled by the Company (its subsidiaries, collectively 'Autolus' or the 'Company' or the 'Group') for the year ended 31 December 2022 have been prepared and approved by the directors in accordance with UK-adopted international accounting standards ("UK-adopted IFRS").

Autolus Therapeutics plc is a biopharmaceutical company developing next-generation programmed T cell therapies for the treatment of cancer. Using its broad suite of proprietary and modular T cell programming technologies, the Group is engineering precisely targeted, controlled and highly active T cell therapies that are designed to better recognize cancer cells, break down their defence mechanisms and attack and kill these cells. The Group believes its 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.

#### **2. Basis of preparation**

The consolidated financial statements for the year ended 31 December 2022 have been prepared in accordance with UK-adopted International Financial Reporting Standards, "IFRS".

The consolidated financial statements have been prepared on a historical cost basis except that the following liability is stated at its fair value: warrant derivative liability. The Group has determined the functional currency of the ultimate parent company, Autolus Therapeutics plc, is Pound sterling. The presentation currency of the Group is the Pound sterling (£) and all values are rounded to the nearest thousand (£'000), except when otherwise indicated. The functional currency of subsidiary operations is the applicable local currency. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at rates of exchange prevailing at the balance sheet dates.

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern. The consolidated financial statements provide comparative information in respect of the previous period.

#### **Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at and for the year ended 31 December 2022. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Company's voting rights and potential voting rights

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements (continued)**  
**For the year ended 31 December 2022**

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

The profit or loss for the year and each component of other comprehensive income / (loss), "OCI" are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full upon consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognises the related assets (including any goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

**Climate change**

In preparing the financial statements, the Board has considered the impact of the physical and transition risks of climate change and identified this an emerging risk as set out on page 9 but have concluded that it does not have a material impact on the recognition and measurement of the assets and liabilities in these financial statements as at 31 December 2022.

**Going concern**

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 June 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 June 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.

Consequently, the Board concluded that with its existing cash and cash equivalents of £316.3 million, the Group can fund its operations until 30 June 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.

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements (continued)**  
**For the year ended 31 December 2022**

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

**Significant accounting policies**

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

**Current versus non-current classification**

The Group presents assets and liabilities in the statement of financial position based on current or non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
  - Held primarily for the purpose of trading.
  - Expected to be realised within twelve-months after the reporting period.
- Or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve-months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
  - It is held primarily for the purpose of trading.
  - It is due to be settled within twelve-months after the reporting period.
- Or
- There is no unconditional right to defer the settlement of the liability for at least twelve-months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**Fair value measurement**

The Group measures financial instruments such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements (continued)**  
**For the year ended 31 December 2022**

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- Disclosures for valuation methods, significant estimates and assumptions Notes 3, 22, 24 and 25;
- Financial instruments (including those carried at amortised cost) Note 24, and
- Quantitative disclosures of fair value measurement hierarchy Note 25.

**Revenue from contracts with customers**

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

The Group has no products approved for commercial sale and has not generated any revenue from commercial product sales. The Group 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 Group's customers.

In determining the appropriate amount of revenue to be recognised as the Group fulfils its obligations under its agreements, the Group 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 Group satisfies each performance obligation.

*Licence Fees and Multiple Element Arrangements*

If a licence to the Group's intellectual property is determined to be distinct from the other performance obligations identified in the arrangement, the Group recognises revenues from non-refundable, upfront fees allocated to the licence at such time as the licence is transferred to the licensee and the licensee is able to use, and benefit from, the licence. For licences that are bundled with other promises, the Group utilises 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 Group evaluates the measure of progress each reporting period and, if necessary, adjusts the Group 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 Group considers the nature of service that the Group promises to transfer to the customer. When the Group decides on a method of measurement, the Group 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.



**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements (continued)**  
**For the year ended 31 December 2022**

*Contingent Research Milestone Payments*

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

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

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

*Royalty revenue*

For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties relate, we recognize revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied).

**Grant income**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants are recognised in the income statement on a systematic basis over the periods in which the Group recognises the related expenses for which the grants are intended to compensate. Grant income is recognised gross in the Consolidated Income Statement within Other Operating Income.

**Foreign Currencies**

*Transactions and balances*

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI, or profit or loss are also recognised in OCI or in the Consolidated Income Statement, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, liability, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

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



**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements (continued)**  
**For the year ended 31 December 2022**

*Group companies*

On consolidation, the assets and liabilities of foreign operations are translated into Pound sterling at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to the Consolidated Income Statement.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

**Research and Development Costs**

Research expenditure is expensed as incurred. Research and development expenses consist of costs incurred in performing research and development activities, including salaries, share-based compensation and benefits, depreciation expense, external costs of outside vendors engaged to conduct clinical development activities, clinical trials, costs to manufacture clinical trial materials and certain tax credits associated with research and development activities.

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

**Accrued Research and Development Expenses**

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

**Cash and Cash Equivalents**

The Group considers cash and cash equivalents in the consolidated financial statements to include cash and highly liquid investments at financial institutions with a maturity of ninety five days or less, which are subject to an insignificant risk of changes in value.

**Restricted Cash**

The Group's restricted cash consists of cash providing security for corporate credit cards and rental deposits relating to the sub-lease of facilities by Autolus to third parties. In prior years, the Group entered into a credit card arrangement that requires a security deposit of £0.2 million. In October 2021, the Group entered into two sub-leasing agreements relating to the Enfield facility, which require rental deposits of £0.1 million in aggregate to be held by the Group. The Group includes the restricted cash balance in cash and cash equivalents, and when reconciling beginning-of-period and end-of-period total amounts shown on the Group's consolidated cash flows statement.

**Property and equipment**

Property and equipment are recorded at cost and depreciated or amortised using the straight-line method over the estimated useful lives of the respective assets. As at 31 December 2022 and 31 December 2021, the Group's property and equipment consisted of office equipment, laboratory equipment, furniture and fittings, and leasehold improvements with the following economic useful lives:

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

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements (continued)**  
**For the year ended 31 December 2022**

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

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

An item of property and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Income Statement when the asset is derecognised.

**Leases**

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

*Group as a lessee*

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

*Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section *Impairment of non-financial assets*.

*Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

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

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

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements (continued)**  
**For the year ended 31 December 2022**

*Short-term leases and leases of low-value assets*

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

*Group as a sub-lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in Other operating income in the Consolidated Income Statement due to its operating nature.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised within Other operating income in the period in which they are earned.

**Intangible Assets**

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

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

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

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

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

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

*Patents and Trademarks*

Patents, licences and trademarks are measured initially at purchase cost and are amortised on a straight-lined basis over their estimated economic useful lives. Patents, licences and trademarks are not amortized but evaluated for potential impairment on an annual basis or when facts and circumstances warrant. Impairment charges are recorded in other operating expenses within the Consolidated Income Statement.

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements (continued)**  
**For the year ended 31 December 2022**

**Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

**Financial Instruments**

Financial assets and financial liabilities are recognised in the Consolidated Balance Sheet when the Group becomes party to the contractual provisions of an instrument.

*Financial assets*

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

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

Interest income recognised and presented in Finance income in the Consolidated Income Statement, has been recognised as received from financial institutions which hold the Group's cash deposits.

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

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements (continued)**  
**For the year ended 31 December 2022**

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

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired
- Or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

*Impairment of Financial Assets*

As stated in the financial instruments policy above the Group's financial assets do not include any debt instruments or trade receivables, and all cash and cash equivalents are held only with reputable banking and financial institutions, therefore the Group has not recognised any expected credit losses, "ECLs", over our financial assets in the twelve months ended 31 December 2022.

*Financial liabilities*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, other long term payables, warranty derivative liability and liability related to future royalties and sales milestones, net.

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Fair value adjustments are recorded in Finance Income or Finance Expense in the Consolidated Income statement.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

*Financial liabilities at amortised cost (loans and borrowings)*

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate, ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation, interest expense, is included as Finance expense in the Consolidated Income Statement.



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This category generally applies to interest-bearing loans and borrowings or similar financial liabilities for example, liability related to future royalties and sales milestones, net. For more information, refer to Note 21.

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

**Provisions**

*General*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

*Restructuring provisions*

Restructuring provisions are recognised only when the Group has a constructive obligation, which is when:

- i. there is a detailed formal plan that identifies the business or part of the business concerned, the location and number of employees affected, the detailed estimate of the associated costs, and the timeline; and
- ii. the employees affected have been notified of the plan's main features.

**Income tax benefit (U.K research and development tax credit)**

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

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, and include R&D tax credits.

**Deferred tax**

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



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**Value added tax (VAT)**

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax included, the net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**Employee benefits**

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

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within twelve months of the reporting date, then they are discounted.

**Share based payments**

The Group recognises share-based payment expense for equity awards based on the grant date fair value of the award. The Group based on a service condition only on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in substance, multiple awards (the “graded-vesting attribution method”), based on the estimated grant date fair value for each separately vesting tranche. For equity awards with a graded vesting schedule and a combination of service and performance conditions, the Group recognises share-based payment expense using a graded-vesting attribution method over the requisite service period when the achievement of a performance-based milestone is probable, based on the relative satisfaction of the performance condition as of the reporting date.

The fair value of each share option grant is estimated on the date of grant using the Black-Scholes option pricing model. Refer to Note 3 for the Group’s assumptions used in connection with option grants made during the periods covered by the consolidated financial statements.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No share-based payment expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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**New and amended standards and interpretations**

In the current year, the Group has applied the below amendments to IFRS Standards and Interpretations issued by the Board that are effective for an annual period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Conceptual Framework - Amendments IFRS 3
- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

**Standards issued but not yet effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Definition of Accounting Estimates - Amendments to IAS 8
- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current

**3. Critical accounting judgements and key sources of estimation and uncertainty**

In the application of the Group's accounting policies, which are described in Note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**a) Interest expense and liability related to sale of future royalties and sales milestones, net**

The Group accounted for the Blackstone Collaboration Agreement as a liability. Refer to Note 21, "Liability relating to future royalties and sales milestones, net" for additional details. The liability relates to future royalties and sales milestones and the related non-cash interest expense are measured based on the Group's current estimates of the timing, probability and amount of expected future royalty and sales milestone payments to be paid by the Group and the Blackstone Development payment to be received from Blackstone, respectively over the term of the agreement. Having considered the substance and terms of the arrangement, management determined that revenue was a non-financial variable and therefore there was no embedded derivative to be fair valued through profit and loss. Consequently, the Blackstone Collaboration liability will be measured at amortised cost at each reporting date. Furthermore, no embedded derivative has been identified in relation to the Blackstone Collaboration liability. The liability is amortized using the effective interest rate method, resulting in recognition of non-cash interest expense over the estimated term of the agreement which is recognized within Finance expense.

Each reporting period the Group assesses the estimated probability, timing and amount of any future royalty and sales milestone payments to be made by the Group and Blackstone Development payment to be received from Blackstone, respectively over the term. The Group recognizes any cumulative catch-up adjustments relating to a change in estimates to the Blackstone Collaboration Agreement within Finance expense or Finance Income.

The Group's estimate of the probability, amount and timing of expected future royalties and sales milestones to be paid and the probability and timing of the Blackstone Development payment to be received from Blackstone considers significant unobservable inputs including regulatory approval, estimated patient population, estimated selling price, estimated sales, estimated peak sales and sales ramp, timing of the expected launch and its impact on the royalties as well as the overall probability of a success. Additionally, the transaction costs associated with the liability will be amortized to non-cash interest expense over the estimated term of the agreements.

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During the year ended 31 December 2022, the Group recognised interest expense on liability related to future royalties and sales milestones, net, including the cumulative catch-up adjustment of £7,490 (2021: £819) which are included in the finance expense line item per Note 7 "Finance income and Finance expense". As at 31 December 2022, the Group recognised interest expense on liability related to future royalties and sales milestones, net, of £104,138 (2021: £34,604) per Note 21 "Liability related to future royalties and sales milestone, net".

**b) Fair value of warrant derivative liability**

The Group granted Blackstone a warrant to purchase up to 3,265,306 of the Group's ADSs representing 3,265,306 of our ordinary shares, at an exercise price of \$7.35 per ADS. In addition, there is a cashless exercise provision which allows the Blackstone to deduct the consideration payable against the market value of the ADSs on exercise. These warrants are valued at the end of each reporting period using the Black Scholes model. Refer to Note 22, "Warrant derivative liability" for further details.

**c) Share based payments**

Refer to Note 19 for the Group's assumptions used in connection with share option grants made during the periods covered by these financial statements. Assumptions used in the option pricing model which have the greatest impact on the fair value include the following:

- *Expected volatility:* The Group lacks company-specific historical and implied volatility information for our ADSs for expected terms greater than 4.5 years. Therefore, we use a combination of the historical volatility of our ADSs and also the expected share volatility based on the historical volatility of publicly traded peer companies and expect to continue to do so until such time as we have adequate historical data regarding the volatility of our own traded security price.
- *Expected term:* The expected term of the Group's share options has been determined utilising the "simplified" method for awards that qualify as "plain-vanilla" options.
- *Risk-free interest rate:* The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods that are approximately equal to the expected term of the award.
- *Expected dividend:* Expected dividend yield of zero is based on the fact that the Group has never paid cash dividends on ordinary shares and does not expect to pay any cash dividends in the foreseeable future.
- *Fair value of ordinary shares:* Options granted after the IPO of the Group are issued at the fair market value of the Group's ADSs at the date the grant is approved by the Board.

**Fair value sensitivity related to share-based payment expense**

The significant unobservable inputs used in the fair value determination of equity awards at grant date, together with a quantitative sensitivity analysis as at 31 December 2022 are shown below:

As at 31 December 2022	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value (amounts in £'000)
Share-based payment expense	Black Scholes option pricing model	Expected volatility	78.73% to 84.79%	5% increase (decrease) would result in an increase (decrease) in share-based payment expense between £368 to £472.
Share-based payment expense	Black Scholes option pricing model	Expected term	5.27 to 6.08	10% increase (decrease) would result in an increase (decrease) in share-based payment expense between £350 to £426.

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The significant unobservable inputs used in the fair value determination of equity awards at grant date, together with a quantitative sensitivity analysis as at 31 December 2021 are shown below:

As at 31 December 2021	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value (amounts in £'000)
Share-based payment expense	Black Scholes option pricing model	Expected volatility	80.05% to 82.03%	5% increase (decrease) would result in an increase (decrease) in share-based payment expense between £310 to £357.
Share-based payment expense	Black Scholes option pricing model	Expected term	5.27 to 6.08	10% increase (decrease) would result in an increase (decrease) in share-based payment expense between £258 to £305.

**d) Accrued Research and Development Expenses**

As part of the process of preparing our consolidated financial statements, we are required to estimate accruals for research and development expenses. This process involves reviewing and identifying services which have been performed by third parties on our behalf and determining the value of these services. In addition, we make estimates of costs incurred to date but not yet invoiced, in relation to external clinical research organizations and clinical site costs. We analyse the progress of clinical trials, including levels of patient enrolment, invoices received and contracted costs, when evaluating the adequacy of the accrued liabilities for research and development. We make judgments and estimates in determining the accrued balance in any accounting period. As at 31 December 2022, the Group recognised research and development accruals of £20,955 (2021: £7,878) which are included in the accruals line item per Note 16 "Trade and other payables".

**e) Deferred Tax and Income tax benefit (U.K research and development tax credit)**

Tax credits are accrued for the year based on calculations that conform to the U.K. research and development tax credit regime, under both the SME and large company regimes. The Group's research and development tax claim is complex and requires management to make significant assumptions in building the methodology for the claim, interpreting research and development tax legislation to the Group's specific circumstances, and agreeing the basis of the Group's tax computations with HM Revenue & Customs. As at 31 December 2022, the Group recognised a R&D tax claim receivable of £20,213 (2021: £17,525).

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. No deferred tax assets are recognized on the Group's losses carried forward and other attributes because there is currently no indication that we will make sufficient profits to utilize these attributes. As at 31 December 2022, the Group recognised a deferred tax asset of £389 (2021: £365).

**4. Segmental reporting**

A segment is a distinguishable component of the Group that is engaged in either providing related products or services which is subject to risks and rewards that are different from those of other segments. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined there is one operating segment based on these reports.

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**5. License revenue**

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

*a. Disaggregation of revenue*

In the following table, licence revenue is disaggregated by primary geographical market and timing of revenue recognition:

	2022	2021
	£'000	£'000
<b>For the year ended 31 December</b>		
<b>Geographical markets</b>		
United States	5,272	1,079
<b>Total License revenue</b>	<b>5,272</b>	<b>1,079</b>
<b>Timing of revenue recognition</b>		
Goods and services transferred at a point in time	5,272	1,079
<b>Total License revenue</b>	<b>5,272</b>	<b>1,079</b>

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

*Research, Option and License Agreement with Moderna*

On June 22, 2021, the Group entered into a Research, Option and License Agreement (the "Moderna Agreement") with ModernaTX, Inc. ("Moderna"), pursuant to which the Company granted to Moderna an exclusive research license to perform research and pre-clinical development activities relating to target sequences with respect to certain of the Company's research targets and products. The Group also granted Moderna on a research target-by-research target basis, the right to obtain an exclusive commercial license upon payment of a commercial option fee of \$2.0 million (the "Commercial Option"). Moderna has the right to extend the Commercial Option period for such research targets by twelve months for an extension fee of \$0.3 million.

Pursuant to the Moderna Agreement, the Group received an upfront non-refundable cash payment of £1.1 million (\$1.5 million) in October 2021 and are entitled to receive development milestones payments per product and in sales milestones payments per product from Moderna if certain clinical, regulatory and sales performance milestones are achieved. The Group is further eligible to receive royalties in the low to mid single digits on net sales on a product-by-product basis.

The Group assessed this arrangement in accordance with IFRS 15 and concluded that the contract counterparty, Moderna, is a customer. The Group identified the following material promises in the arrangement: the granting of an exclusive license to research and preclinical development activities as well as the initial transfer of know-how and information to Moderna. The Group determined the Commercial Option fee is not offered at a significant and incremental discount. Accordingly, the Commercial Option is an option granted to Moderna that does not represent a material right and, therefore, is not a performance obligation at the outset of the arrangement. The Group determined that the granting of the research license and the initial transfer of know-how were not distinct from one another and must be combined as a performance obligation (the "Moderna Combined Performance Obligation"). This is because Moderna requires the know-how to derive benefit from the research license. Based on these determinations, the Group identified one distinct performance obligation at the inception of the contract: the Moderna Combined Performance Obligation.

The Group further determined that the up-front payment of £1.1 million (\$1.5 million) constituted the entirety of the consideration included in the transaction price at contract inception, which was allocated to the combined performance obligation. The amount of the transaction price allocated to the combined performance obligation is recognized as or when the Group satisfies the performance obligation. The Group determined that the Moderna Combined Performance Obligation was recognized at a point-in-time, upon the delivery of the transfer of know-how and research license to Moderna.



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Upon execution of the agreement, the transaction price included only the £1.1 million (\$1.5 million) up-front payment owed to the Group. The Group may receive further payments upon the exercise of the commercial option, the extension of the commercial option period, the achievement of certain milestones, as detailed above, as well as royalty payments that reach mid-single digits based on future net sales. In September 2022, Moderna exercised its option, pursuant to the terms of the Moderna Agreement, to obtain the commercial license of the Group's proprietary binders against an undisclosed immuno-oncology target for the development and commercialisation of mRNA therapeutics resulting in the Group recognizing £1.9 million (\$2.0 million) of license revenue for the year ended 31 December 2022.

The future milestones, which represent variable consideration, were evaluated under the most likely amount method, and were not included in the transaction price, because the amounts were fully constrained as of 31 December 2022 and 2021, respectively. As part of the Group's evaluation of the constraint, it considered numerous factors, including that receipt of such milestones is outside the Group's control. Separately, any consideration related to sales-based milestones, as well as royalties on net sales upon commercialisation by Moderna, will be recognized when the related sales occur, and therefore, have also been excluded from the transaction price in accordance with the sales-based royalty exception. The Group will re-evaluate the transaction price in each reporting period, as uncertain events are resolved, or as other changes in circumstances occur.

*Option and License Agreement with Bristol-Myers Squibb*

On 3 October 2022, the Group entered into an Option and License Agreement (the "BMS Agreement") with Bristol-Myers Squibb Group ("BMS"), pursuant to which the Group granted to BMS a non-exclusive license to research, develop, manufacture, have manufactured, use, and commercialise products incorporating the Group's safety switch technology (RQR8 technology). Upon the execution of the BMS Agreement, the Group made available the RQR8 licensed know-how to BMS for a non-refundable upfront license fee of £3.1 million (\$3.5 million). Autolus has no further material performance obligations related to the BMS Agreement, as further discussed below. BMS have agreed to pay non-refundable development milestones and low single-digit royalties based on net sales of each product covered by the licensed intellectual property.

The Group further granted to BMS the option (the "Target Option") to expand the rights and licenses granted hereunder to include the research, development, manufacture, use, or commercialisation of licensed products up to a predetermined number of licensed targets upon payment of an option exercise fee ("Option Exercise Fee").

The Group identified the following material promises in the arrangement: the granting of a non-exclusive license for research and preclinical development activities as well as the initial transfer of know-how and information to BMS. The Group determined the Option Exercise Fee is not offered at a significant and incremental discount. Accordingly, the Commercial Option is an option granted to BMS that does not represent a material right and, therefore, is not a performance obligation at the outset of the arrangement. The Group determined that the granting of the research license and the initial transfer of know-how were not distinct from one another and must be combined as a performance obligation (the "BMS Combined Performance Obligation"). This is because BMS requires the know-how to derive benefit from the license. Based on these determinations, the Group identified one distinct performance obligation at the inception of the contract: the BMS Combined Performance Obligation. The Group further determined that the up-front payment of £3.1 million (\$3.5 million) constituted the entirety of the consideration included in the transaction price at contract inception, which was allocated to the BMS Combined Performance Obligation. The amount of the transaction price allocated to the BMS Combined Performance Obligation is recognized as or when the Group satisfies the performance obligation. The Group determined that the BMS Combined Performance Obligation was recognized at a point-in-time, upon the delivery of the transfer of know-how and research license to BMS.

Upon execution of the BMS Agreement, the transaction price included only the £3.1 million (\$3.5 million) up-front payment owed to the Group. The Group may receive further payments upon the exercise of the Target Option, the achievement of certain milestones, as well as royalty payments that reach low-single digit based on future net sales. The Group received an upfront non-refundable cash payment of £3.1 million (\$3.5 million) in November 2022 and recognized license revenue of £3.1 million (\$3.5 million) for the year ended 31 December 2022.

The future milestones, which represent variable consideration, were evaluated under the most likely amount method, and were not included in the transaction price, because the amounts were fully constrained as of 31 December 2022. As part of the Group's evaluation of the constraint, it considered numerous factors, including that receipt of such milestones is outside the Group's control. Separately, any consideration related to sales-based milestones, as well as royalties on net sales upon commercialisation by BMS, will be recognized when the related sales occur, and therefore, have also been excluded from the transaction price in accordance with the sales-based royalty exception, as well as the Group's accounting policy. The Group will re-evaluate the transaction price in each reporting period, as uncertain events are resolved, or as other changes in circumstances occur.



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**For the year ended 31 December 2022**

For the years ended 31 December 2022 and 2021, respectively, the Group has not recognized any variable consideration with regards to the development milestones which are included in the revenue generating license agreements with customers. These development milestones are not yet probable and therefore no revenue has been recognized.

For the years ended 31 December 2022 and 2021, respectively, the Group has not recognized any royalty revenue from the license agreements that were executed during the years ended 31 December 2022 and 2021, respectively.

**6. Operating loss**

Included in operating loss is the following:

<b>For the year ended 31 December</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
License revenue	(5,272)	(1,079)
<b>Included in general and administrative expense:</b>		
Employee benefits expense	9,007	6,680
Depreciation and amortisation	113	210
Legal, professional, and consultancy expense	5,574	4,480
Lease and facility related expenses	1,743	1,976
Other expenses	3,999	4,189
Share-based payment expense	5,095	2,810
Insurance	2,679	3,200
	<b>28,210</b>	<b>23,545</b>
<b>Included in research and development expense:</b>		
Employee benefits expense	34,133	30,930
Depreciation and amortisation	5,869	5,497
Legal, professional, and consultancy expense	11,069	7,652
Lease and facility related expenses	8,421	8,425
Other expenses	13,421	11,953
Share-based payment expense	5,995	4,961
Clinical trials and related expenses	33,697	26,687
	<b>112,605</b>	<b>96,105</b>
<b>Included in other operating income:</b>		
Grant income	(86)	(593)
Other operating income	(71)	(11)
Sublease rental income	(194)	(36)
Termination fee arising from termination of lease	—	(1,466)
Gain on termination of lease	—	(2,629)
	<b>(351)</b>	<b>(4,735)</b>
<b>Included in other operating expense:</b>		
Loss on disposal of property and equipment	439	2,256
Loss on disposal of intangible assets	1,160	—
	<b>1,599</b>	<b>2,256</b>
<b>Total operating loss</b>	<b>136,791</b>	<b>116,092</b>

For the year ended 31 December 2022, aggregated other expenses included in general and administration expenses and research and development expenses comprised of £5.9 million (2021: £6.5 million) of facility and office expense, £1.3 million in IP fees (2021: £1.2 million), and £4.1 million (2021: £3.1 million) of IT expense.

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**For the year ended 31 December 2022**

**7. Finance income and Finance expense**

Finance income includes the following:

	<b>2022</b>	<b>2021</b>
<b>For the year ended 31 December</b>	<b>£'000</b>	<b>£'000</b>
Fair value adjustment on warrant derivative liability	5,554	729
Interest income from banking institutions	1,449	194
Net foreign exchange gain	1,698	—
<b>Total finance income</b>	<b>8,701</b>	<b>923</b>

Finance expense includes the following:

	<b>2022</b>	<b>2021</b>
<b>For the year ended 31 December</b>	<b>£'000</b>	<b>£'000</b>
Net foreign exchange loss	—	748
Interest expense on liability related to future royalties and sales milestones, net	6,509	819
Cumulative catch-up adjustment on liability related to sale of future royalties and sales milestones, net	981	—
Interest expense arising on lease liabilities	1,039	1,655
Other interest cost	56	35
<b>Total finance expense</b>	<b>8,585</b>	<b>3,257</b>

**8. Auditor's remuneration**

Fees payable to Ernst & Young LLP and their associates for the audit of the Group's annual accounts were £465 (2021: £472).

During the year the Group obtained the following services from the auditor and its associates:

	<b>2022</b>	<b>2021</b>
<b>For the year ended 31 December</b>	<b>£'000</b>	<b>£'000</b>
Audit of Group accounts	465	472
Audit of subsidiary accounts	106	67
Audit-related assurance services	436	231
<b>Total auditor's remuneration</b>	<b>1,007</b>	<b>770</b>

**9. Employees and Directors**

The average monthly number of persons (including executive directors) employed by the Group during the year was:

<b>For the year ended 31 December</b>	<b>2022</b>	<b>2021</b>
Office and management	70	53
Research and development	303	276
<b>Total average monthly number of persons</b>	<b>373</b>	<b>329</b>

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Employee benefit expenses (including the directors) comprise:

	2022	2021
For the year ended 31 December	£'000	£'000
<b>Included in general and administrative expenses:</b>		
Salaries	7,688	5,355
Social security costs	815	516
Pension contributions	301	182
Share based payment	5,095	2,810
Other benefits	203	627
	<b>14,102</b>	<b>9,490</b>
<b>Included in research and development expenses:</b>		
Salaries	27,964	24,089
Social security costs	3,868	3,517
Pension contributions	1,347	1,190
Share based payment	5,995	4,961
Other benefits	953	2,134
	<b>40,127</b>	<b>35,891</b>
<b>Total employee benefits expense</b>	<b>54,229</b>	<b>45,381</b>

During January 2021 there was a restructuring program executed by the Group leading to a reduction in workforce and resulting in a corresponding severance charge of £0.9 million which has been presented on a proportionate basis within employee benefits expense in general and administrative expenses and research and development expenses. There have been no similar severance charges incurred during the year ended 31 December 2022.

Other benefits include medical insurance, childcare vouchers, RSU income and severance payments.

The Group contributes to defined contribution pension schemes for its executive management team and employees. During the year ended 31 December 2022, defined pension schemes contributions of £1.6 million (2021: £1.4 million) had been paid or were payable.

The details of directors who received emoluments from the Group are shown in the table below:

	2022	2021
For the year ended 31 December	£'000	£'000
Salaries and fees	782	716
Bonus	187	204
Other Benefits	100	3
<b>Total directors' emoluments</b>	<b>1,069</b>	<b>923</b>

The directors have not exercised any share options during the year ended 31 December 2022 (2021: Nil). During the year ended 31 December 2022, performance-based restricted stock unit awards vested on the achievement of a specified clinical milestone resulting an increase in other benefits.

The highest paid director is our executive director, Dr. Christian Itin. Further details of the Directors' remuneration and Directors' options are contained in the Directors' Remuneration Report.

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**Compensation of key management personnel of the Group**

Key management includes Directors (executive and non-executive), and the Executive Management team. The compensation paid or payable to key management is set out below.

	2022	2021
For the year ended 31 December	£'000	£'000
Short-term benefits	3,020	3,825
Post-employment benefits	46	55
Other benefits	902	—
IFRS 2 Share based payment charge	8,735	3,271
<b>Total compensation paid to key management personnel</b>	<b>12,703</b>	<b>7,151</b>

There are no directors for whom retirement benefits are accruing under defined contribution schemes (2021: Nil). There were two key management personnel for whom retirement benefits, in thousands Pound sterling, amounting to £1 are accruing under defined contribution schemes (2021: £2).

During the year ended 31 December 2021 termination benefits amounting to £0.2 million were included in short term benefits. There were no termination benefits recognised within short term benefits for the year ended 31 December 2022.

The Group has not issued any ordinary shares to directors during the year ended 31 December 2022 (2021: Nil). The Group issued 44,363 ordinary shares to key management personnel during the year ended 31 December 2022 (2021: Nil). The aggregate number of share options and restricted stock unit awards granted to the directors during the year ended 31 December 2022 was 430,000 (2021: 762,500). The aggregated number of share options and restricted stock unit awards granted to key management personnel during the year ended 31 December 2022 was 875,000 (2021: 1,885,000).

**10. Tax**

	2022	2021
For the year ended 31 December	£'000	£'000
Current year	(19,711)	(14,873)
Withholding tax	—	—
Adjustments in respect of prior years	373	4
Deferred tax (credit) charge	19	(1,302)
Overseas tax	—	—
<b>Total income tax benefit</b>	<b>(19,319)</b>	<b>(16,171)</b>

Included in the deferred tax (credit) charge above is a deferred tax expense charge relating to changes in tax rates, in thousands Pound sterling, of £3 (2021: £50 deferred tax charge).

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

	2022 £'000	2021 £'000
<b>For the year ended 31 December</b>		
<b>Loss before tax on continuing operations</b>	(136,675)	(118,426)
Tax at the UK corporation tax rate of 19 %	(25,968)	(22,502)
Tax effect of expenses that are not deductible in determining taxable profit	1,272	215
R&D tax credits	(20,144)	(17,466)
Depreciation in advance of capital allowances not recognised	669	669
Other deferred tax assets not recognised	1,154	2,354
Losses not utilised	23,313	20,545
Adjustments in respect of prior years	373	4
Withholding tax	—	—
Impact of overseas tax rate	12	10
<b>Total income tax benefit</b>	<b>(19,319)</b>	<b>(16,171)</b>

At the balance sheet date, the Group has unused tax losses, after accounting for tax credits receivable, of £266.1 million (2021: £205.3 million) available for offset against future profits. No deferred tax asset has been recognised in either year in respect of these losses or any other deferred tax assets arising from temporary differences, as it is not considered probable that there will be future taxable profits available. These losses may be carried forward indefinitely.

	Recognised 2022 £'000	Recognised 2021 £'000	Unrecognised 2022 £'000	Unrecognised 2021 £'000
<b>Deferred tax asset / (liability)</b>				
Losses	—	—	66,682	51,320
Fixed assets	52	25	3,572	2,670
Other	337	340	81	1,061
<b>Total</b>	<b>389</b>	<b>365</b>	<b>70,335</b>	<b>55,051</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. UK Deferred tax assets have been provided for in full.

The U.K.'s government recently enacted changes which reduce the potential cash rebate under the SME regime to 18.6% for qualifying expenditure incurred on or after April 1, 2023. Additionally, the U.K.'s government announced further changes including the introduction of a new rate for R&D intensive companies of 27% (which the group currently expect to qualify for) and come into effect for expenditure incurred after April 1, 2023. The Group have not accounted for these latest changes in its consolidated financial statements as these changes have not yet been enacted. Following recent proposed changes by the U.K government the net tax benefit of the RDEC for qualifying expenditure incurred on or after April 1, 2023 has been increased to 15%.

#### 11. Basic and diluted loss per share

Basic and diluted net loss for the year per share attributable to ordinary equity holders of the parent is determined by dividing the loss for the year by the weighted average number of ordinary shares outstanding during the year. For all periods presented, the outstanding but unvested restricted shares, share options and warrants have been excluded from the calculation, as their effects would be anti-dilutive. Therefore, the weighted average number of ordinary shares outstanding used to calculate both basic and diluted loss per share are the same for all periods presented.

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Basic and diluted net loss for the year per share attributable to ordinary equity holders of the parent was calculated as follows (in thousands, except share and per share amounts):

<b>As at 31 December</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Loss for the year - basic and diluted</b>	<b>(117,356)</b>	<b>(102,255)</b>

<b>As at 31 December</b>	<b>2022</b>	<b>2021</b>
<b>Weighted average number ordinary shares (000's)</b>		
Issued ordinary shares at 01 January	90,908	52,346
Effect of shares issued in January 2021 At-the-market-offering	—	1,686
Effect of shares issued in public offering	3,888	14,493
Effect of shares issued in June 2021 At-the-market-offering	—	1,117
Effect of shares issued in November 2021 arising from Blackstone Securities Purchase Agreement	—	2,267
Effect of share options exercised	70	108
Effect of restrictive stock units vesting	127	97
Effect of restricted ordinary share releases	—	60
<b>Weighted average number ordinary shares (000's) as at 31 December</b>	<b>94,993</b>	<b>72,174</b>

<b>Basic and diluted net loss for the year attributable to ordinary equity holders of the parent</b>	<b>(1.24)</b>	<b>(1.42)</b>
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The following potentially dilutive ordinary shares have been excluded from the calculation of diluted net loss per share due to their anti-dilutive effect:

<b>As at 31 December</b>	<b>2022</b>	<b>2021</b>
Unvested restricted shares and units (Refer to Note 19)	403	1,090
Incentive share options (Refer to Note 19)	10,311	7,772
Warrants (Refer to Note 22)	3,265	3,265
<b>Total potentially anti-dilutive ordinary shares</b>	<b>13,979</b>	<b>12,127</b>

Since the year ended 31 December 2022, the Group has granted 3,017,250 share options up to the date of authorisation of these consolidated financial statements.



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**12. Property and equipment**

£ 000	Office equipment	Laboratory equipment	Furniture and fittings	Leasehold improvements	Assets under construction	Total
<b>Cost</b>						
<b>As at 31 December 2020</b>	<b>2,143</b>	<b>16,811</b>	<b>981</b>	<b>6,211</b>	<b>14,021</b>	<b>40,167</b>
Additions	402	1,618	27	—	3,356	5,403
Disposals	—	—	—	(630)	(4,922)	(5,552)
Transfers	—	6,766	—	3,886	(10,652)	—
Effects of exchange rate differences	1	(3)	—	—	—	(2)
<b>As at 31 December 2021</b>	<b>2,546</b>	<b>25,192</b>	<b>1,008</b>	<b>9,467</b>	<b>1,803</b>	<b>40,016</b>
Additions	377	596	1	204	9,529	10,268
Disposals	—	—	—	—	(439)	—
Transfers	—	—	—	—	—	—
Effects of exchange rate differences	19	70	—	—	—	89
<b>As at 31 December 2022</b>	<b>2,942</b>	<b>25,858</b>	<b>1,009</b>	<b>9,671</b>	<b>10,893</b>	<b>50,373</b>
<b>Accumulated depreciation and impairment losses</b>						
<b>As at 31 December 2020</b>	<b>1,349</b>	<b>6,610</b>	<b>471</b>	<b>1,274</b>	<b>3,184</b>	<b>12,888</b>
Depreciation expense for the year	554	3,745	289	1,057	—	5,645
Disposals	(36)	—	—	(148)	(3,184)	(3,368)
Transfers	—	—	—	—	—	—
Effects of exchange rate differences	1	1	—	—	—	2
<b>As at 31 December 2021</b>	<b>1,868</b>	<b>10,356</b>	<b>760</b>	<b>2,183</b>	<b>—</b>	<b>15,167</b>
Depreciation expense for the year	385	4,027	124	1,398	—	5,934
Disposals	—	—	—	—	—	—
Transfers	—	—	—	—	—	—
Effects of exchange rate differences	12	110	—	—	—	122
<b>As at 31 December 2022</b>	<b>2,265</b>	<b>14,493</b>	<b>884</b>	<b>3,581</b>	<b>—</b>	<b>21,223</b>
<b>Carrying amount</b>						
<b>As at 31 December 2021</b>	<b>678</b>	<b>14,836</b>	<b>248</b>	<b>7,284</b>	<b>1,803</b>	<b>24,849</b>
<b>As at 31 December 2022</b>	<b>677</b>	<b>11,365</b>	<b>125</b>	<b>6,090</b>	<b>10,893</b>	<b>29,150</b>

The depreciation expenses of £5,934 (2021: £5,641) have been recognised as £105 (2021: £201) general and administrative expense and £5,829 (2021: £5,440) as research and development expenses.

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**13. Intangible assets**

£ 000	Patents & Licences	Software	Total
<b>Cost</b>			
<b>As at 31 December 2020</b>	<b>10,640</b>	<b>254</b>	<b>10,894</b>
Disposals	(25)	(41)	(66)
<b>As at 31 December 2021</b>	<b>10,615</b>	<b>213</b>	<b>10,828</b>
Additions	—	—	—
Disposals	(1,160)	—	(1,160)
<b>As at 31 December 2022</b>	<b>9,455</b>	<b>213</b>	<b>9,668</b>
<b>Accumulated amortisation</b>			
<b>As at 31 December 2020</b>	<b>—</b>	<b>138</b>	<b>138</b>
Amortisation charge for the year	—	67	67
Disposal	—	(41)	(41)
<b>As at 31 December 2021</b>	<b>—</b>	<b>164</b>	<b>164</b>
Amortisation charge for the year	—	49	49
<b>As at 31 December 2022</b>	<b>—</b>	<b>213</b>	<b>213</b>
<b>Carrying amount</b>			
<b>As at 31 December 2021</b>	<b>10,615</b>	<b>49</b>	<b>10,664</b>
<b>As at 31 December 2022</b>	<b>9,455</b>	<b>—</b>	<b>9,455</b>

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

**14. Other long-term receivables**

	2022 £'000	2021 £'000
<b>As at 31 December</b>		
Lease deposit	1,515	1,440
Prepayments	1,487	1,509
<b>Total other long-term receivables</b>	<b>3,002</b>	<b>2,949</b>

**15. Other receivables**

	2022 £'000	2021 £'000
<b>As at 31 December</b>		
Interest Accrued	796	7
Prepayments	10,207	6,457
Grant Income Accrued	2	284
VAT Receivable	2,223	1,363
Tax prepayments	168	178
R&D Tax Claim Receivable	20,213	17,525
Lease deposit	26	18
Other receivables	373	210
<b>Total other receivables</b>	<b>34,008</b>	<b>26,042</b>

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**16. Trade and other payables**

As at 31 December	2022 £'000	2021 £'000
Trade creditors	429	314
Accruals	32,656	17,490
Corporate tax	31	7
Other payables	7	21
<b>Total trade and other payables</b>	<b>33,123</b>	<b>17,832</b>

**17. Nature and purpose of each reserve in equity**

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.

Merger reserve – this represents the excess of the cost of investment arising on the group reorganisation over the value of the share capital and share premium of Autolus Limited.

Share based payment reserves – the Company grants restrictive shares, restrictive share units and share options to employees, and as disclosed in Note 19. This reserve reflects the cumulative share based payment expense recognised in relation to these equity awards.

Currency translation reserve – comprises all foreign currency differences arising from the translation of the consolidated financial statements of foreign operations.

Retained losses – represent the cumulative value of the profits and losses currently not distributed to shareholders but retained to finance the future capital requirements of the Group.

**18. Share capital**

As at 31 December 2022, the Company was authorised to issue up to:

- i. 290,909,783 ordinary shares or rights over ordinary shares, with a nominal value of \$0.000042 per share,
- ii. 34,425 deferred shares, with a nominal value of £0.00001 per share,
- iii. 88,893,548 B deferred shares, with a nominal value of £0.00099 per share and
- iv. 1 C deferred share, with a nominal value of £0.000008.

Issued share capital at 31 December 2022 and 2021, respectively included the following:

	Ordinary Shares No.	Deferred shares No.	B Deferred Shares No.	C Deferred shares No.	Total
<b>At 31 December 2020</b>	<b>52,346,231</b>	<b>34,425</b>	<b>88,893,548</b>	<b>1</b>	<b>141,274,205</b>
Issue of ordinary shares	38,561,599	—	—	—	38,561,599
<b>At 31 December 2021</b>	<b>90,907,830</b>	<b>34,425</b>	<b>88,893,548</b>	<b>1</b>	<b>179,835,804</b>
Issue of ordinary shares	82,166,680	—	—	—	82,166,680
<b>At 31 December 2022</b>	<b>173,074,510</b>	<b>34,425</b>	<b>88,893,548</b>	<b>1</b>	<b>262,002,484</b>

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As at 31 December 2022, the following shares were issued and outstanding:

- (i) 173,074,510 ordinary shares, with a nominal value of \$0.000042 per share,
- (ii) 34,425 deferred shares, with a nominal value of £0.00001 per share,
- (iii) 88,893,548 B deferred shares, with a nominal value of £0.00099 per share and
- (iv) 1 C deferred share, with a nominal value of £0.000008.

Each issued share has been fully paid.

The following summarises the rights of holders of our ordinary shares (amounts in pounds):

- each holder of our ordinary shares is entitled to one vote per ordinary share on all matters to be voted on by shareholders generally;
- the holders of the ordinary shares shall be entitled to receive notice of, attend, speak and vote at our general meetings; and
- holders of our ordinary shares are entitled to receive such dividends as are recommended by our directors and declared by our shareholders.
- **Deferred Shares** - The 34,425 deferred shares, aggregate nominal value less than £1.00, existed in Autolus Limited and were re-created in Autolus Therapeutics plc as part of the share exchange to place Autolus Therapeutics as the ultimate parent entity. The Company was required to replicate the shares to ensure the existing share has the correct nominal value to ensure stamp duty mirroring relief is available on the subsequent share for share exchange. These deferred shares have no voting rights, no dividend rights, and no profit rights.
- **Deferred B Shares** - The deferred shares were the product of the reorganisation of the series A preferred shares and ordinary B shares into ordinary shares. The nominal residual value was utilised by management as the required £50,000 of share capital to re-register Autolus Therapeutics Limited as Autolus Therapeutics plc. The resulting 88,893,548 deferred shares, aggregate nominal value of £88,000 is presented as a separate class of equity on the balance sheet and statement of shareholder's equity. These deferred B shares have no voting rights, no dividend rights, and no profit rights.
- **Deferred C Share** - The deferred share, nominal value less than £1.00, was created when the shares in Autolus were redenominated from GBP to USD as part of the capital reduction to deal with rounding issues that would otherwise have unbalanced the Company's nominal share capital. This deferred C share has no voting rights, no dividend rights, and no profit rights.

**Share transactions during the period ended 31 December 2021**

***February 2021 public offering***

On February 12, 2021, the Company completed an underwritten public offering of 14,285,71 ADSs representing 14,285,715 ordinary shares at a public offering price of \$7.00 per ADS. In addition, the underwriters exercised their right to purchase an additional 2,142,857 ADSs representing 2,142,857 ordinary shares, at a public offering price of \$7.00 per ADS. Aggregate net proceeds to the Company, after underwriting discounts and offering expenses, were £77.4 million (\$106.9 million).

***Open Market Sale Agreement***

In September 2020, the Company entered into an Open Market Sale Agreement, or the Sales Agreement, with Jefferies LLC, or Jefferies, under which the Company may, at its option, offer and sell ADSs (one ADS representing one ordinary share) having an aggregate offering price of up to \$100.0 million from time to time through Jefferies, acting as sales agent. Any such sales made through Jefferies can be made by any method that is deemed an "at-the-market offering" as defined in Rule 415 promulgated under the Securities Act, or in other transactions pursuant to an effective shelf registration statement on Form F-3. The Company agreed to pay Jefferies a commission of 3.0% of the gross proceeds of any sales of ADSs sold pursuant to the Sales Agreement. During the year ended 31 December 2021, the Company issued an aggregate of 3,787,972 ADSs representing 3,787,972 ordinary shares under the Sales Agreement for net proceeds, after underwriting discounts and offering expenses of £21.6 million (\$29.6 million).

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#### *Blackstone Securities Purchase Agreement*

On 6 November 2021, pursuant to the Blackstone Securities Purchase Agreement, the Company sold 17,985,611 ADSs, representing 17,985,611 ordinary shares, at a private placement price of \$5.56 per ADS to Blackstone resulting in gross proceeds of £74.1 million (\$100 million). The Company received aggregate net proceeds of £72.6 million (\$98.0 million), after offering expenses. In addition, the total shared transaction costs of £1.5 million (\$1.7 million), relating to the Blackstone Agreement have been allocated to the shared transaction costs between the Liability related to future and sales milestones, net and ADSs on a relative fair value basis. The Company allocated £67.5 million (\$91.1 million) of the net proceeds, relating to the issuance of ADSs, after deducting direct and allocated shared transaction costs to equity.

#### **Share transactions during the period ended 31 December 2022**

In December 2022, the Company completed an underwritten public offering of 81,927,012 ADSs representing 81,927,012 ordinary shares, which includes the partial exercise by the underwriters to purchase an additional 6,927,012 ADSs, at a public offering price of \$2.00 per ADS. Aggregate net proceeds to the Company, after underwriting discounts and offering expenses, were £123.9 million.

#### **19. Share based payment**

##### *Employee Share Plans*

In February 2017, the Group's Board adopted the 2017 Share Option Plan, or the 2017 Plan. The 2017 Plan was set to expire on 21 February 2027. The 2017 Plan provided for the grant of potentially tax-favoured Enterprise Management Incentives, or EMI, share options to the Group's U.K. employees and for the grant of share options to its U.S. employees. All awards are equity settled.

In June 2018, as part of the Group's reorganisation and IPO, the Group's Board and shareholders approved the 2018 Equity Incentive Plan, or the 2018 Plan. The initial maximum number of ordinary shares that may be issued under the 2018 Plan was 3,281,622. This number consists of 3,025,548 new ordinary shares and 256,074 ordinary shares that would have otherwise remained available for future grants under the 2017 Plan. The number of ordinary shares reserved for issuance under the 2018 Plan will automatically increase on October 1st of each year, for a period of not more than ten years, commencing on 1 October 2018 and ending on (and including) 1 October 2027, by an amount equal to the lesser of (i) 4% of the total number of ordinary shares outstanding on September 30th of the same calendar year or (ii) such fewer number of ordinary shares as the Board may designate prior to the applicable October 1st date. Shares issued under the 2018 Plan may be authorised but unissued shares, shares purchased on the open market, treasury shares or ADSs.

The updated maximum number of ordinary shares that may be issued under the 2018 Plan is 15,340,772 as of 31 December 2022. The total shares issued under the 2018 Plan may be authorized but unissued shares, shares purchased on the open market, treasury shares or ADSs.

Share options granted under the 2018 Plan and 2017 Plan, as well as restricted shares and restricted share units granted as employee incentives, typically vest over a four-year service period with 25% of the award vesting on the first anniversary of the commencement date and the balance vesting monthly over the remaining three years, unless the award contains specific performance vesting provisions. Share options granted under the 2018 Plan and 2017 Plan generally expire ten years from the date of grant. For certain senior members of management and directors, the Board has approved an alternative vesting schedule.

#### **Share Option Valuation**

The assumptions (refer to Note 3(c)) used in the Black-Scholes option pricing model to determine the fair value of the share options granted to employees and directors during the year ended 31 December 2022 and 2021, were as follows:

<b>For the year ended 31 December</b>	<b>2022</b>	<b>2021</b>
Expected option life (years)	5.27 to 6.08	5.27 to 6.08
Risk-free interest rate	2.20% to 4.23%	0.62% to 1.34%
Expected volatility	78.73% to 84.79%	80.05% to 82.03%
Expected dividend yield	0.00%	0.00%

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**Share Options**

The table below summarises the share option activity for the years ended 31 December 2022 and 2021, respectively:

	Number of share options	Weighted average Exercise Price (£)	Weighted- Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in £000's)
<b>Vested and expected to vest as of 31 December 2020</b>	<b>5,611,429</b>	<b>13.02</b>	<b>7.96</b>	<b>3,227</b>
Granted	4,155,375	5.17	—	—
Exercised	(196,069)	0.47	—	—
Cancelled or forfeited	(1,798,280)	12.45	—	—
Outstanding as of 31 December 2021	7,772,455	8.90	8.30	732
Exercisable as of 31 December 2021	3,001,834	12.60	7.10	732
<b>Vested and expected to vest as of 31 December 2021</b>	<b>7,772,455</b>	<b>8.90</b>	<b>8.30</b>	<b>732</b>
Granted	3,792,160	2.58	—	—
Exercised	(162,864)	0.58	—	295
Cancelled or forfeited	(1,090,951)	11.33	—	—
Outstanding as of 31 December 2022	10,310,800	7.19	8.18	77
Exercisable as of 31 December 2022	3,836,926	12.30	6.81	77
<b>Vested and expected to vest as of 31 December 2022</b>	<b>9,434,223</b>	<b>7.19</b>	<b>8.18</b>	<b>77</b>

For share options outstanding at 31 December 2022, the range of exercise prices include £0.0001 to £31.43.

The aggregate intrinsic value of share options is calculated as the difference between the exercise price of the share options and the fair value of the Company's restricted ordinary shares for those share options that had exercise prices lower than the fair value of the Company's restricted ordinary shares.

The weighted average grant-date fair value of share options granted during the year ended 31 December 2022 was £1.81 per share option (2021: £3.57 per share option). During the year ended 31 December 2022, 89,991 share options granted during the year vested (2021: 43,757).

As of 31 December 2022, the total unrecognized compensation expense related to unvested share options without performance conditions was £7.6 million, which the Company expects to recognize over a weighted average vesting period of 3.08 years (2021: 3.26 years).

*Performance-based share options*

During the year ended 31 December 2021, the Company granted 1,602,500 share options with performance conditions related to specified clinical milestones of which 222,500 share options with performance conditions were forfeited. During the year ended 31 December 2021, 80,000 of these share options were modified to remove the performance conditions, thereby accelerating the vesting and associated share based compensation expense of £0.4 million.

During the year ended 31 December 2022, the Company did not grant any share options with performance conditions. However, during the year ended 31 December 2022, 222,500 share options with performance conditions were forfeited. In addition, 120,000 performance-based share options were modified during the year ended 31 December 2022 to remove the performance conditions, thereby accelerating the vesting, and associated share based compensation expense of £0.2 million.

As of 31 December 2022 and 2021, a performance condition related to these performance-based share options was deemed probable. As a result, £0.6 million and £1.1 million share-based compensation expense was recognized for the years ended 31 December 2022 and 2021, respectively. As at 31 December 2022, the total unrecognized share-based compensation expense related to unvested share options with performance conditions was £3.4 million, which the Company expects to recognize over a weighted average vesting period of 2.81 years.



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Subsequent to the year ended 31 December 2022, the Company has granted 3,017,250 share options to the date of authorisation of these financial statements.

**Restricted Ordinary Shares**

The assumptions used in the Black Scholes Option Pricing Model to determine the fair value of the ordinary shares for the following dates are as follows:

Grant dates	26 April 2017	25 September 2017	31 March 2018	31 May 2018
Expected term	1.2 years	0.8 years	1.8 years	1.8 years
Risk-free interest rate	1.00%	1.30%	2.10%	2.10%
Expected volatility	76.60%	71.00%	71.00%	71.00%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

The table below summarises the restricted ordinary shares activity for the years ended 31 December 2022 and 2021, respectively:

	Number of restricted shares	Weighted average grant date fair value £
<b>Unvested and outstanding at 31 December 2020</b>	<b>90,383</b>	<b>3.15</b>
Granted	—	—
Vested	(90,383)	3.15
Cancelled or forfeited	—	—
<b>Unvested and outstanding at 31 December 2021</b>	<b>—</b>	<b>—</b>

There are no changes to Company's restricted ordinary shares during the year ended 31 December 2022. As of 31 December 2022 and 2021, there was no unrecognized share-based compensation expense related to restricted ordinary shares.

**Restricted Stock Units**

A restricted stock unit ("RSU") award represents the right to receive one of the Company's ADSs upon vesting of the RSU award. The fair value of each RSU award is based on the closing price of the Company's ADSs on the date of grant. The Company historically granted RSU awards with service conditions that vest over a three-year service period with 50% of the award vesting one-and-half years from grant date and the remaining 50% of the award vesting at the end of the third year.

In January 2021, the Company granted RSU awards that contained a performance condition based on a condition related to a specified clinical milestone. In March 2021, the Company granted RSU awards with service conditions that vest over a four-year service period with 25% on the first anniversary of the grant date, and the balance vesting quarterly over the remaining three-years. In July 2021, the Company granted RSU awards with service conditions that vest over a two-year period with 100% of the award vesting on the second year anniversary of the grant date.

In 2022, RSUs granted during the year typically vest over a four-year service period with 25% of the award vesting on the first anniversary of the commencement date and the balance vesting annually over the remaining three-years. However, in September 2022, the Company granted RSU awards with service conditions that vest over an eleven month period with 50% of the award vesting eight months from grant date and the remaining 50% of the award vesting at the end of the eleventh month. In addition, in December 2022, the Company granted RSU awards with service conditions that vest over a fifteen month period with 50% of the award vesting twelve months from grant date and the remaining 50% of the award vesting at the end of the fifteenth month.

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The following is a summary of RSU award activity under the 2018 Plan for the years ended 31 December 2022 and 2021, respectively:

	Number of Restricted Units	Weighted average grant date fair value £
<b>Unvested and outstanding at 31 December 2020</b>	<b>415,000</b>	<b>9.15</b>
Granted	1,215,650	6.01
Vested	(204,500)	8.35
Cancelled or forfeited	(336,500)	7.43
<b>Unvested and outstanding at 31 December 2021</b>	<b>1,089,650</b>	<b>6.27</b>
Granted	294,800	1.97
Vested	(785,511)	7.10
Cancelled or forfeited	(195,608)	7.48
<b>Unvested and outstanding at 31 December 2022</b>	<b>403,331</b>	<b>2.83</b>

As of 31 December 2022 and 2021, respectively, the total unrecognized compensation expense related to unvested RSUs without performance conditions was £0.6 million (2021: £1.4 million), which the Company expects to recognize over a weighted average vesting period of 1.51 years (2021: 1.76 years).

*Performance-based restrictive stock units*

During the year ended 31 December 2021, the Company awarded an aggregate of 1,020,000 RSU awards which contained a performance condition related to a specified clinical milestone. During the year ended 31 December 2021, 40,000 performance-based RSU awards were modified to remove the performance condition, thereby accelerating the vesting, and related expense of £0.3 million. An aggregate of 150,000 performance-based RSU awards with performance conditions were forfeited during the year ended 31 December 2021. As of 31 December 2021, a performance condition was determined to be probable and accordingly, £3.6 million share-based payment expense was recognised.

During the year ended 31 December 2022, 617,500 performance-based RSU awards vested due to the achievement of a specified clinical milestone resulting in the recognition of £0.7 million share-based compensation expense. A further 60,000 of these RSU awards were modified during the year ended 31 December 2022 by removing the performance condition, thereby accelerating the vesting, and related share-based compensation expense of £0.2 million. An aggregate of 152,500 performance-based RSU awards with performance conditions were forfeited during the year ended 31 December 2022. As of 31 December 2022 there was no unrecognized share-based compensation expense.

During the year ended 31 December 2022, 749,832 RSU awards vested but were not issued as of 31 December 2022, and as such are not included in the Company's issued ordinary shares at 31 December 2022.

Since the year ended 31 December 2022, the Company has not granted any RSUs awards to the date of authorisation of these financial statements.

Share-based payment expense recorded as research and development and general and administrative expenses is as follows (in thousands):

	2022 £'000	2021 £'000
<b>For the year ended 31 December</b>		
Research and development	5,995	4,961
General and administrative	5,095	2,810
<b>Total share-based compensation</b>	<b>11,090</b>	<b>7,771</b>

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**20. Cash and cash equivalents**

	2022	2021
As of 31 December	£'000	£'000
Cash and bank balances	180,764	229,702
Fixed short-term deposit	111,918	—
Money market funds	23,650	—
<b>Total cash and cash equivalents</b>	<b>316,332</b>	<b>229,702</b>

Cash and cash equivalents in the consolidated financial statements to include cash and highly liquid investments at financial institutions with a maturity of ninety five days or less, which are subject to an insignificant risk of changes in value. The carrying amount of these assets is approximately equal to their fair value.

**21. Liability related to future royalties and sales milestones, net**

***Blackstone Agreements***

On 6 November 6, 2021, the Group concurrently entered into a (i) Strategic Collaboration and Financing Agreement, (the "Blackstone Collaboration Agreement"), (ii) Securities Purchase Agreement (the "Blackstone Securities Purchase Agreement"), and (iii) Warrant Agreement (the "Blackstone Warrant") and (iv) a Registration Rights Agreement (the "Blackstone Registration Rights Agreement"), collectively called the "Blackstone Agreements", with BXL V - Autobahn L.P, ("Blackstone"). The Blackstone Agreements were entered into and in contemplation of one another and, accordingly, the Group assessed the accounting for these agreements in the aggregate.

***Blackstone Securities Purchase Agreement***

Pursuant to the Blackstone Securities Purchase Agreement, Autolus Therapeutics plc sold 17,985,611 ADSs representing 17,985,611 ordinary shares, at a private placement price of \$5.56 per ADS to Blackstone resulting in gross proceeds of £74.1 million (\$100.0 million). For further details on the Blackstone Securities Purchase Agreement, see Note 18. "Share Capital".

***Blackstone Warrant Agreement***

Pursuant to the Blackstone Warrant, Company issued Blackstone a warrant to purchase up to 3,265,306 ADSs representing 3,265,306 of the Company's ordinary shares, at an exercise price of \$7.35 per ADS. The Blackstone Warrant is exercisable in whole or in part until 6 November 2026. For further details on the Warrant Agreement, see Note 22, "Warrants derivative liability".

***Blackstone Collaboration Agreement***

Pursuant to the Blackstone Collaboration Agreement, Blackstone agreed to pay Autolus Limited, a wholly owned subsidiary of the Company, up to \$150.0 million to support the continued development of our CD19 CAR T cell investigational therapy product candidate, obecabtagene autoleucel (obe-cel), as well as next generation product therapies of obe-cel in B-cell malignancies. These payments include (i) an upfront payment of \$50.0 million and (ii) up to \$100.0 million payable based on the achievement of certain specified clinical, manufacturing and regulatory milestones (each such payment, a "Blackstone Development Payment" and collectively, the "Blackstone Development Payments")

In November 2021, the upfront payment of £37.1 million (\$50.0 million) was paid by Blackstone upon execution of the Blackstone Collaboration Agreement. In December 2022, two Blackstone Development Payments were paid by Blackstone of £28.4 million (\$35.0 million) each as a result of (i) the joint steering committee's review of Autolus' interim analysis of pivotal FELIX Phase 2 clinical trial of obe-cel in relapsed/refractory (r/r) adult Acute Lymphoblastic Leukaemia (ALL) and (ii) achievement of a pre-agreed manufacturing milestone as a result of completion of planned activities demonstrating the performance and qualification of the Group's obe-cel's manufacturing process. The two Blackstone Development Payments received during the year ended 31 December 2022 were allocated solely to the Blackstone Collaboration Agreement liability. The remaining \$30.0 million will be payable to the Autolus Limited on the achievement of a certain specified regulatory milestone. The Group considers the achievement of the specified regulatory milestone as probable when actually achieved.

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In exchange for the Blackstone Development Payments, the Group agreed to make payments to Blackstone (the "Revenue Share Payments") equal to a mid-single digit royalty, subject to the Aggregate Cap (as defined in the Blackstone Collaboration Agreement) on payments under the Blackstone Collaboration Agreement, based on net sales anywhere in the world of (i) Collaboration Products in B-cell malignancies, (ii) subject to certain conditions set forth in the Blackstone Collaboration Agreement, its CD19 and CD22 CAR T cell investigational therapy product candidate known as AUTO3 in B-cell malignancies, and (iii) certain Collaboration Products to the extent developed or commercialised in indications other than a B-cell malignancy ("Obe-cel Franchise Products"). The Group are also obligated to make payments (the "Sales Milestone Payments"), subject to the Aggregate Cap, if certain cumulative net sales levels are achieved.

The Company, and all of its subsidiaries have provided, and all of its future subsidiaries will provide, a guaranty to Blackstone of its obligations under the Blackstone Collaboration Agreement. In addition, the Group has granted a security interest in Autolus Limited to Blackstone in (a) intellectual property that is necessary or useful for the development, manufacture, use, commercialisation, import, or export of Collaboration Products (the "Autolus IP Collateral"), (b) a segregated and blocked cash collateral account that will be established following regulatory approval of any Collaboration Product, solely for the purpose of receiving remittance of Revenue Share Payments and Sales Milestone Payments and disbursement thereof to Blackstone as provided in the Blackstone Collaboration Agreement, (c) a segregated cash collateral account established solely for the purpose of receiving Blackstone Development Payments and disbursing them for use by the Group in accordance with the terms of the Blackstone Collaboration Agreement, (d) all assets or property of the Group related to or arising from the Collaboration Products in any B-cell malignancy or the obe-cel Franchise Products in any indication other than a B-cell malignancy, and (e) all proceeds and products of each of the foregoing (collectively referred to as the "Collateral"). The security interest will be maintained until the earlier of (i) such time at which cumulative payments made by the Group under the Blackstone Collaboration Agreement equal \$150.0 million and (ii) the first commercial sale in the United States of obe-cel or any other Lead Product (as defined in the Blackstone Collaboration Agreement) selected to replace obe-cel following a Program Failure (as defined in the Blackstone Collaboration Agreement) (such time, the "Release Time").

The Blackstone Collaboration Agreement contains negative covenants that restrict the Group from, among other things, (a) granting liens or otherwise encumbering its assets that constitute Collateral, (b) paying dividends or making distributions on account or, or redeeming, retiring or purchasing any capital stock, (c) other than certain permitted licensing transactions, transferring to third parties rights to commercialise any Collaboration Product or the Autolus IP Collateral anywhere in the world and (d) selling, transferring or assigning any rights to receive payments of royalties, returns on net sales, revenue share or other compensation or license fees with respect to a Collaboration Product in a B-cell malignancy and/or obe-cel Franchise Product in any indication other than a B-cell malignancy. Each of the negative covenants is subject to exceptions and carve outs set forth in the Blackstone Collaboration Agreement. The negative covenants will fall away upon the Release Time.

Termination of the Blackstone Collaboration Agreement by Blackstone due to certain breaches of the Blackstone Collaboration Agreement or other actions by the Group will require the Group to make liquidated damage payments to Blackstone in excess of the Blackstone Development Payments.

The Group has accounted for the Blackstone Collaboration Agreement as a liability primarily due to the Group's significant continuing involvement in generating the royalty stream. If and when obe-cel is commercialised and royalties or sales milestones become payable, the Group will recognize the portion of royalties paid to Blackstone as a decrease to the Blackstone Collaboration Agreement liability with a corresponding reduction in cash.

The carrying amount of the Blackstone Collaboration Agreement liability is based on the Group's estimate of the future royalties and sales milestones to be paid to Blackstone and the Blackstone Development payment to be received over the life of the arrangement as discounted using an effective interest rate. The excess estimated present value of future royalties and sales milestone payments over the initial carrying amount and future Blackstone Development Payments received, is recognized as a cumulative catch-up within finance expense using the initial effective interest rate. The imputed rate of interest on the unamortized portion of the Blackstone Collaboration Agreement liability was approximately 15.8% as of 31 December 2022 and 2021, respectively.

On a quarterly basis, the Group assesses the amount and timing of expected royalty and sales milestone payments using a combination of internal projections and forecasts from external sources. To the extent the present value of such payments are greater or less than its initial estimates or the timing of such payments is materially different than its original estimates, the Group will adjust the amortization of the Blackstone Collaboration Agreement liability using the catch-up method.

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There are a number of factors that could materially affect the probability, amount and timing of royalty and sales milestone payments to be made by the Group and Blackstone Development payment to be received from Blackstone, respectively, most of which are not within the Group's control. The Blackstone Collaboration Agreement liability is recognized using significant unobservable inputs. These 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 regulatory approvals, estimated patient populations, estimated selling price, estimated sales, estimated peak sales and sales ramp, timing of the expected launch and its impact on the royalties as well as the overall probability of a success.

The Group concluded the Blackstone Agreements comprised of the following three units of accounting for the consideration received: (i) the Blackstone Collaboration Agreement, (ii) the purchase of ADSs, representing our ordinary shares, and (iii) Blackstone Warrants. The three units of accounting are recorded at relative fair value upon initial recognition. These free-standing instruments are subsequently measured as follows; (i) the Blackstone Collaboration Agreement liability at amortised cost, (ii) ADSs and consequently ordinary shares at cost and (iii) the Blackstone Warrants at fair value.

During 2021, the Group allocated the total gross proceeds arising from the Blackstone Collaboration Agreement and the Blackstone Securities Purchase Agreement along with the issuance of the Blackstone Warrant among the three free-standing instruments by allocating the proceeds equal to the fair value of the warrant derivative liability with the residual proceeds allocated on a relative fair value basis at the time of the transaction as follows:

Units of Accounting	Gross proceeds (in £ millions)	Initial fair value (in £ millions)	Allocated consideration (in £ millions)	Net allocated consideration after transaction costs* (in £ millions)
Liability related of future and sales milestones, net (Blackstone Collaboration Agreement)	£ 37.1	£ 36.8	£ 34.3	£ 33.8
ADSs, representing ordinary	£ 74.1	£ 74.1	£ 69.0	£ 67.5
Warrants	£ —	£ 7.9	£ 7.9	£ 7.9
<b>Total</b>	<b>£ 111.2</b>	<b>£ 118.8</b>	<b>£ 111.2</b>	<b>£ 109.2</b>

\* In addition, the total shared transaction costs of £1.5 million, relating to the Blackstone Agreement have been allocated to the shared transaction costs between the liability related to future royalties and sales milestones, net and ADSs on a relative fair value basis.

As a result, the Group recognised a discount on the Blackstone Collaboration Agreement of £2.8 million and applied as an offset to share premium an amount of £5.1 million related to the issuance of the Group's ordinary shares, refer to note 18 "Share Capital" for further details relating to the Blackstone Securities Purchase Agreement. The amount recorded as a discount to the Blackstone Collaboration Agreement is being amortized over the term of the collaboration agreement using the effective interest method.

Changes to the Blackstone Collaboration Agreement liability related to future royalties and sales milestones are as follows:

	£000's
<b>Balance as at 31 December 2020</b>	<b>£ —</b>
Initial liability related to future royalties and sales milestones, net of issuance costs	£ 33,843
Interest expense on liability related to future royalties and sales milestones, net	£ 819
Effects of exchange rate differences	£ (58)
<b>Balance as at 31 December 2021</b>	<b>£ 34,604</b>
Proceeds from Development Payments received	£ 56,816
Interest expense on liability related to future royalties and sales milestones, net	£ 6,509
Cumulative catch-up adjustment on liability related to future royalties and sales milestones, net	£ 981
Effects of exchange rate differences	£ 5,228
<b>Balance as at 31 December 2022</b>	<b>£ 104,138</b>



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**22. Warrant derivative liability**

On 6 November 2021, in connection with the Blackstone Agreement, pursuant to the Blackstone Warrant, the Company issued Blackstone a warrant to purchase up to 3,265,306 ADSs representing 3,265,306 of the Company's ordinary shares, at an exercise price of \$7.35 per ADS. The Blackstone Warrant is exercisable in whole or in part until 6 November 2026. In addition, there is a cashless exercise provision which allows Blackstone to deduct the consideration payable against the market value of the ADSs on exercise.

Due to the cashless exercise provision noted above, the Blackstone Warrants do not result in a fixed number of shares being issued as the number of shares issued is dependent on the market value of the share price when the Blackstone Warrants are exercised, which is an unknown variable on completion. Therefore, the Blackstone Warrants do not meet the 'fixed-for-fixed' criteria under IAS 32 paragraph 16(b)(ii) for the Blackstone Warrants to be recognised as an equity instrument and as such the warrants are considered to be a derivative liability.

The fair value of the Blackstone Warrant issued is estimated on the date of issuance at each subsequent reporting date using the Black-Scholes option pricing model. A description of the assumptions used in the Black-Scholes option pricing model to value the Blackstone Warrants include the following:

*Expected volatility:* The Company lacks specific historical and implied volatility information for its ADSs for expected terms greater than 3.85 years. Therefore, the Company uses a combination of the historical volatility of its ADSs and also the expected share volatility based on the historical volatility of publicly traded peer companies and expect to continue to do so until such time as the Company has adequate historical data regarding the volatility of its own traded security price.

*Expected term:* The expected term of the Company's warrants has been determined utilizing the contractual term of the warrants.

*Risk-free interest rate:* The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of granting of the warrant for time periods that are approximately equal to the expected term of the award.

*Expected dividend:* Expected dividend yield of zero is based on the fact that the Company has never paid cash dividends on ordinary shares and does not expect to pay any cash dividends in the foreseeable future.

*Fair value of ordinary shares:* The fair value of each ordinary share was based on the closing price of Autolus Therapeutics plc's publicly traded ordinary shares as reported on date of issuance.

The assumptions used in the Black-Scholes option pricing model to determine the fair value of the warrants granted to Blackstone as at 6 November 2021 were as follows:

	31 December 2022	31 December 2021	6 November 2021
Expected option life (years)	3.85	4.85	5.00
Risk-free interest rate	4.12%	1.24%	1.04%
Expected volatility	81.01%	80.90%	80.23%
Expected dividend yield	0.00%	0.00%	0.00%

The Company determined the initial fair value of Blackstone Warrant using the Black Scholes Option pricing model to be £7.9 million. The Blackstone Warrant is subsequently measured at fair value through the consolidated income statement, within Finance income.

Changes to the Blackstone Warrant derivative liability for the year ended 31 December 2022 and 2021, respectively, are as follows:

	£'000
<b>Balance as at 31 December 2020</b>	<b>£ —</b>
Initial liability related to future royalties and sales milestones, net of issuance costs	£ 7,905
Fair value adjustment	£ (729)
<b>Balance as at 31 December 2021</b>	<b>£ 7,176</b>
Fair value adjustment	£ (5,554)
<b>Balance as at 31 December 2022</b>	<b>£ 1,622</b>

Refer to Note 25 "Fair value measurement" for the reconciliation of the fair value of the warrant derivative liability.



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**23. Right-of-use assets and lease liabilities**

**Group as a lessee**

The Group has lease contracts for various properties and other equipment (including laboratory equipment) used in its operations. Leases of properties generally have lease terms between 7 and 20 years, while other equipment generally have lease terms between more than 1 year to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, they are restricted from assigning and subleasing the leased assets.

There is one contract which requires the Group to assert the break clause either to terminate the lease or to allow it to sub lease the plant to a third Party, which is discussed further below. The Group also has certain leases of machinery with lease terms of twelve-months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

In September 2017, the Group executed an arrangement with Cell Therapy Catapult Limited to lease a manufacturing suite at the Cell and Gene Therapy Catapult manufacturing centre in Stevenage, United Kingdom for a term through May 2021, at which time the Group had the option to renew or terminate the lease. The lease had a six-month rent-free period. In December 2018, the Group executed an additional lease arrangement for additional manufacturing space for a term through September 2023, at which time the Group has the option to renew or terminate the lease. In addition, in May 2020, the Group executed an arrangement with Cell Therapy Catapult Limited to lease a manufacturing suite at the Cell and Gene Therapy Catapult manufacturing centre in Stevenage, United Kingdom for a term through April 2024. In July 2022 the Group and Cell Therapy Catapult Limited mutually agreed: (i) to extend the lease term of a manufacturing suite leased by the Group from April 2024 to February 2025, and (ii) to reduce the lease term of a different manufacturing suite leased by the Group from July 2024 to June 2023.

In March 2023, the Group and Cell Therapy Catapult Limited mutually agreed: (i) to terminate the lease relating to the leased manufacturing suite which originally had a lease term until February 2025, ii) extended the lease term of one of the manufacturing suites from June 2023 to August 2024, and iii) extended the lease term of a different manufacturing suite leased by the Group from September 2023 to August 2024.

In October 2018, the Group executed an agreement to sublease office space in Rockville, Maryland, United States for a term through October 2021. The Group then terminated the sublease in February 2020 and immediately entered into a five-year lease for the same space with the landlord. The Group is obligated to pay its proportionate share of building operating expenses and real estate taxes in excess of base year amounts. These costs are considered to be variable lease payments and are not included in the determination of the lease's right-of-use asset or lease liability.

In January 2019, the Group executed a lease agreement with Whitewood Media Village GP Limited and Whitewood Media Village Nominee Limited to lease the fifth floor of MediaWorks including laboratory space. The Group has the option to terminate the lease in November 2026. In August 2021, MediaWorks became the Group's main corporate headquarters. In addition to base rent, the Group is obligated to pay its proportionate share of building operating expenses and real estate taxes in excess of base year amounts. These costs are considered to be variable lease payments and are not included in the determination of the lease's right-of-use asset or lease liability. The lease agreement includes an option to lease additional space. The lease term is nine years and eleven-months with an eighteen-month rent free period at the beginning of the lease term.

In January 2019, the Group executed a lease agreement to lease additional office and manufacturing space in Rockville, United States. The lease agreement required the Group to enter into a lease provided that the landlord completes the required leasehold improvements described in the agreement. The lease commenced in August 2020 for a term through June 2036. In March 2021, the Group announced plans to move the site of its global manufacturing headquarters to the United Kingdom from the United States. As a part of this strategy, the Group entered into a termination agreement with the landlord of its Rockville, United States property to terminate the lease for office and manufacturing space. As a result, the Group recognized a £1.5 million (\$2.0 million) termination fee gain from the landlord, a £2.2 million gain from the removal of the leased right of use asset and corresponding lease liability, and recognised a loss on disposal of property, plant and equipment of £1.7 million for the year ended 31 December 2021 within other operating income, net. The £1.5 million (\$2.0 million) termination fee was received from the landlord in April 2021.

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In February 2019, the Group agreed to enter into a fifteen year lease for manufacturing space units located in Enfield, United Kingdom, provided that the landlord completed the required leasehold improvements described in the agreement. The Group executed these lease agreements for three manufacturing space units, each for fifteen year lease terms upon such completion. The leases commenced in February 2019, with the option to terminate the lease in February 2029. In addition to base rent, the Group is obligated to pay its proportionate share of building operating expenses and real estate taxes in excess of base year amounts. These costs are considered to be variable lease payments and are not included in the determination of the lease's right-of-use asset or lease liability. The Group reduced the right-of-use asset and lease liability based on the contractual option termination date. In March 2021, one of the units was split in two separate units and the Group surrendered one of those units back to the landlord. Upon the surrender, the Group recognized a £0.5 million gain in other operating income, after recognizing a termination fee of £0.1 million. The Group has no further obligations for the surrendered unit and the right of use asset and lease liability which were recorded for this unit have been written off during the year ended 31 December 2021. In October 2021, the Group subleased two of the three remaining units to third parties with lease terms ending in February 2029 and October 2026, respectively. The Group received £0.1 million in rental deposits arising from the sublease agreements, which have been classified as restricted cash. The Group is actively seeking to sublease or assign the lease arrangements relating to the final unit. The Group completed an asset impairment analysis of the right-of-use lease concluding the undiscounted cash flows exceeded the carrying value as of 31 December 2022.

In September 2021, the Group entered into an arrangement for lease with Forge Life Sciences Nominee, an affiliate of the Reef Group, for the design, construction and lease of a new 70,000 square foot manufacturing facility in Stevenage, United Kingdom. Under this arrangement, the landlord will lease the facility to the Group on agreed terms, upon satisfaction of certain conditions and completion of construction. This facility will form the basis of the Group's new commercial manufacturing facility. In November 2022, the landlord handed over the first of three clean rooms thereby providing access by the Group to a portion of the facility, thus meeting the definition of a lease in accordance with IFRS 16. The remaining portions of the facility will be handed over by the landlord upon satisfaction of certain conditions and completion of the remaining construction. A lease agreement will be signed upon handover of the entire facility. The Group has started the fit out of the first of three clean rooms for which the Group is responsible. These fit out costs and subsequent fit out costs in other areas of the building, will be required to be removed at the end of the lease term and represent a dilapidation provision. At 31 December 2022, the fit out of the handed over clean room was still in progress. Once the fit-out and full hand over of facility has been completed a full estimate of the associated dilapidation provision will be made. Given the ongoing work, it was not possible to estimate a dilapidation provision as at 31 December 2022. The Group has appropriately assessed the impact of the handover of the first clean room on the lease term thereby resulting in the recognition of a right-of-use asset and lease liability for the year ended 31 December 2022. The Group is required to pay a pro-rated rent for each portion of the facility handover upon its handover. The Group contributed £5.2 million as part as of landlord works and tenant contributions towards the lease as of 31 December 2022 resulting in these payments being taken into account in the determination of the right-of-use asset for this facility.

Below are the carrying amounts of right-of-use assets recognised and the movements during the years ended 31 December 2022 and 2021, respectively:

	Property and Machinery	Other Equipment	Total
	£'000	£'000	£'000
<b>As at 31 December 2020</b>	<b>35,010</b>	<b>100</b>	<b>35,110</b>
Lease additions	236	139	375
Lease terminations	(20,011)	—	(20,011)
Amortisation expense of right-of-use assets	(3,092)	(41)	(3,133)
Modification of lease term	77	—	77
Effect of foreign currency gains / (losses)	(103)	(12)	(115)
<b>As at 31 December 2021</b>	<b>12,117</b>	<b>186</b>	<b>12,303</b>
Lease additions	8,037	—	8,037
Amortisation expense of right-of-use assets	(2,873)	(77)	(2,950)
Modification of lease term	42	—	42
Effect of foreign currency gains / (losses)	194	2	196
<b>As at 31 December 2022</b>	<b>17,517</b>	<b>111</b>	<b>17,628</b>

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Below are the carrying amounts of lease liabilities and movements during the years ended 31 December 2022 and 2021, respectively:

	<b>£'000</b>
<b>As at 31 December 2020</b>	<b>39,639</b>
Lease additions	375
Interest expense accretion	1,656
Lease payments	(3,424)
Lease termination	(22,660)
Modification of lease term	77
Effect of foreign currency gains / (losses)	(121)
<b>As at 31 December 2021</b>	<b>15,541</b>
Lease additions	7,087
Interest expense accretion	1,039
Lease payments	(3,846)
Modification of lease term	42
Effect of foreign currency gains / (losses)	201
<b>As at 31 December 2022</b>	<b>20,064</b>
<b>Lease liability - current</b>	<b>4,167</b>
<b>Lease liability - non-current</b>	<b>15,897</b>

The following are the amounts recognised in the consolidated income statement during the years ended 31 December 2022 and 2021, respectively:

	<b>2022</b>	<b>2021</b>
<b>For the year ended 31 December</b>	<b>£'000</b>	<b>£'000</b>
Amortisation expense of right-of-use assets	2,950	3,133
Interest expense on lease liabilities	1,039	1,655
Expense relating to short-term leases	334	105
Gain on lease terminations	—	(2,629)
<b>Total amount recognised in the consolidated income statement</b>	<b>4,323</b>	<b>2,264</b>

**Other information:**

<b>As at 31 December</b>	<b>2022</b>	<b>2021</b>
Total cash outflows for leases (in £'000s)	3,846	4,253
Weighted-average remaining lease term	10.4 years	5.80 years
Weighted-average discount rate	6.77%	7.15%

The carrying value of the Group's lease obligations as at 31 December 2022 and 2021, respectively, approximates to their fair value. The Group's lease liabilities are secured by the related underlying assets.

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The undiscounted maturity analysis of lease liabilities recognised at 31 December 2022 and 2021, respectively, is as follows:

<b>As at 31 December</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Within one year	5,370	4,274
One to two years	3,632	3,636
Two to three years	2,856	3,130
Three to four years	2,627	2,207
Four to five years	2,627	2,034
Greater than five years	10,400	3,537
<b>Total future minimum lease payments</b>	<b>27,512</b>	<b>18,818</b>
Less future finance charges	(7,448)	(3,277)
<b>Present value of lease obligations</b>	<b>20,064</b>	<b>15,541</b>

**Group as a lessor**

In October 2021, the Group entered into two separate sublease agreements with two third parties for two manufacturing spaces in Enfield, United Kingdom which is currently leased by the Group. The annual lease payments to be received for each of subleased units is £97,000 and £109,000 over lease terms from October, 2021 to February 2029 and October 2026, respectively. The Group received £95,000 in rental deposits, arising from the sublease agreements which have been classified as restricted cash as of 31 December 2022 and 2021, respectively. Both subleases have been classified as operating leases. The Group will recognize the sublease payments on a straight line basis from the commencement of the sublease agreements.

The following table shows the sublease rental income for the years ended 31 December 2022 and 2021, respectively:

<b>For the year ended 31 December</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Sublease income (included in other operating income)	182	36

Future minimum rentals receivable under non-cancellable operating leases as at 31 December 2022 and 2021, respectively, is as follows:

<b>As at 31 December</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Within one year	206	180
One to two years	206	206
Two to three years	206	206
Three to four years	160	206
Four to five years	97	160
Greater than five years	83	180
<b>Total future minimum lease receivable</b>	<b>958</b>	<b>1,138</b>

**24. Financial instruments**

**Financial instruments risk management objectives and policies**

The Group's principal financial assets include other receivables, cash and cash equivalents and restricted cash that derive directly from its operations. The Group's principal financial liabilities comprise the trade and other payables, lease liabilities, Blackstone Collaboration Agreement liability, other long term payables and a warrant derivative liability. The main purpose of these financial liabilities is to finance the Group's operations.

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The Group is exposed to interest rate, currency, credit and liquidity risks. The Board oversees the management of these risks. The Board has relevant policies and procedures in place to identify, measure and manage financial risks in accordance with its policies and risk objectives. The most significant financial risks to which the Group is exposed are set out below.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, and market risk (including interest rate risk and foreign exchange risk).

**Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that subject the Group to credit risk consist primarily of cash and cash equivalents, restricted cash and liability related to future royalties and sales milestones, net. The Group places cash and cash equivalents, restricted cash and liability related to future royalties and sales milestones, net in established financial institutions or counterparties. The Group monitors the credit rating of those financial institutions or counterparties.

The Group has no other significant off-balance-sheet risk or concentration of credit risk, such as foreign exchange contracts, options contracts, or other hedging arrangements.

**Liquidity risk**

Since the Group's inception, the Group has not generated any product revenue and has incurred operating losses and negative cash flows from its operations. The Group does not currently have any approved products. The Group expects to incur significant expenses and operating losses for the foreseeable future as the Group advances its product candidates through preclinical and clinical development, seek regulatory approval and pursue commercialisation of any approved product candidates. The Group expects its research and development and general and administrative costs will increase in connection with its planned research activities. As a result, the Group will need additional capital to fund its operations until it can generate significant revenue from product sales.

The Group has funded its operations to date primarily with proceeds from government grants, sales of our equity securities, through public offerings and sales pursuant to our at-the market-facility, U.K. research and development tax credits and receipts from the U.K. RDEC Scheme, out-licensing arrangements and strategic collaboration agreements.

The Group currently has material financing commitments, that are expected to affect our liquidity over the next five years, which include the Group's lease obligations and supplier purchase commitments and expected royalty and Sale Milestone Payments, subject to the Aggregate Cap, if certain cumulative net sales levels are achieved, in relation to the Blackstone Collaboration Agreement liability.

*Exposure to liquidity risks*

The following are the remaining contractual maturities of financial assets and financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

	Carrying amount £'000	Contractual cash flows				
		Total £'000	One year or less £'000	One to two years £'000	Two to five years £'000	More than five years £'000
<b>As at 31 December 2022</b>						
<b>Financial assets</b>						
Other receivables <sup>1</sup>	4,132	4,132	2,271	—	—	1,861
Cash and cash equivalents	316,332	316,332	316,332	—	—	—
Restricted cash	269	269	—	—	65	204
<b>Total financial assets</b>	<b>320,733</b>	<b>320,733</b>	<b>318,603</b>	<b>—</b>	<b>65</b>	<b>2,065</b>

<sup>1</sup> Other receivables balance above excludes prepayments, VAT receivable, Tax prepayments and R&D tax receivables

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		Contractual cash flows				
		Carrying amount £000	Total £'000	One year or less £'000	One to two years £'000	Two to five years £'000
Financial liabilities						
Trade and other payables <sup>2</sup>	34,038	34,038	34,038	—	—	—
Lease liabilities	20,064	27,512	5,370	3,632	8,110	10,400
Other long term payables	94	94	—	94	—	—
Warrant derivative liability <sup>3</sup>	1,622	—	—	—	—	—
Subtotal financial liabilities	55,818	55,818	39,408	3,726	8,110	10,400

<sup>2</sup>Trade and other payables balance above excludes corporate tax

<sup>3</sup>Warrant derivative liability relates to a cashless exercise of Blackstone Warrants and therefore no contractual cash flows are applicable. Refer to Note 22 for further details.

In addition to the above, the Blackstone Collaboration Agreement Liability of £104,138 (2021: £34,604), relating to liabilities relates to future royalties and sales milestones, net is also classified as a financial liability. Thus, resulting in total financial liabilities at a carrying amount of £159,956 (2021: £75,240). The liability related to future royalties and sales milestones, net which arises from the Blackstone Collaboration Agreement, includes estimated royalties and sales milestone payments based on the estimated achievement of certain clinical and regulatory milestones. The Blackstone Collaboration Agreement has no contractual maturity, however, royalties and sales milestones are forecasted to be paid over a period of up to sixteen years. Refer to Note 21 for further details.

		Contractual cash flows				
	Carrying amount £000	Total £'000	One year or less £'000	One to two years £'000	Two to five years £'000	More than five years £'000
As at 31 December 2021						
Financial assets						
Other receivables <sup>1</sup>	2,029	2,029	501	—	—	1,528
Cash and cash equivalents	229,702	229,702	229,702	—	—	—
Restricted cash	250	250	—	—	—	250
<b>Total financial assets</b>	<b>231,981</b>	<b>231,981</b>	<b>230,203</b>	<b>—</b>	<b>—</b>	<b>1,778</b>

<sup>1</sup>Other receivables balance above excludes prepayments, VAT receivable, Tax prepayments and R&D tax receivables

	Carrying amount £000	Contractual cash flows				
		Total £'000	One year or less £'000	One to two years £'000	Two to five years £'000	More than five years £'000
As at 31 December 2021						
Financial liabilities						
Trade and other payables <sup>2</sup>	17,825	17,825	17,825	—	—	—
Lease liabilities	15,541	18,818	4,274	3,636	7,371	3,537
Other long term payables	94	94	—	94	—	—
Warrant derivative liability <sup>3</sup>	7,176	—	—	—	—	—
Total financial liabilities	40,636	36,737	22,099	3,730	7,371	3,537

<sup>2</sup>Trade and other payables balance above excludes corporate tax

<sup>3</sup>Warrant derivative liability relates to a cashless exercise of Blackstone Warrants and therefore no contractual cash flows are applicable. Refer to Note 22 for further details.



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**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. For the Group, market risk comprises of two types of risk: interest rate risk and foreign currency risk.

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest-bearing assets include cash and cash equivalent balances, which earn interest at variable rates.

The Group's only interest-bearing liability is the Blackstone Collaboration Agreement liability, however the effective interest rate remains the same throughout the duration of the Blackstone Collaboration Agreement. As such, no interest rate risk has been identified related to the Blackstone Collaboration Agreement liability. On a quarterly basis, the Group assesses the amount and timing of expected royalty and sales milestone payments using a combination of internal projections and forecasts from external sources. To the extent the present value of such payments are greater or less than its initial estimates or the timing of such payments is materially different than its original estimates, the Group will adjust the amortization of the Blackstone Collaboration Agreement liability using the catch-up method.

The table below illustrates the sensitivity analysis of the Group's reported loss for the year arising from an increase or decrease in the Bank of England base rate by 0.5 percent. The sensitivity analysis is calculated on cash and cash equivalent and restricted cash balances:

<b>As at 31 December</b>	<b>2022</b>	<b>2021</b>
<b>Change in Bank of England base rate by 0.5 percent</b>		
Increase of Bank of England base rate by 0.5 percent	1,043	1,150
Decrease of Bank of England base rate by 0.5 percent	(1,043)	(1,150)

*Foreign currency risk*

The Group is exposed to foreign currency exchange risks due to the Group holding foreign currency monetary assets and liabilities which are exposed to exchange rate fluctuations. This risk is assessed on an on-going basis. The Group does not use derivative financial instruments to manage currency exchange movements and, as such, no hedge accounting is applied.

The Group's presentational currency is the Pound sterling. The Group has determined the functional currency of the ultimate parent company, Autolus Therapeutics plc, is Pound sterling. The functional currency of subsidiary operations is the applicable local currency. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at rates of exchange prevailing at the balance sheet dates. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the date of the transaction. The Group also holds U.S. dollar, "USD", and Euros, "EUR", currencies. Any fluctuations in currency exchange rates between the U.S. dollar and the Pound sterling could materially and adversely affect the Group's business. Unrealised foreign exchange gains recognised in the income statement amounts to £5.2 million (2021: £5.9 million of unrealised foreign exchange losses).

Additionally, although the Group is headquartered in the United Kingdom, the Group sources 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, the Group's business and the price of its ADSs 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 the Group's results of operations and cash flows from period to period. As a result, to the extent the Group continues its expansion on a global basis, it expects that increasing portions of its revenue, cost of revenue, assets and liabilities will be subject to fluctuations in foreign exchange rates.

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The table below illustrates the sensitivity analysis of the Group's reported loss for the year arising from a 5% increase or decrease in the respective foreign exchange rates to which the Group is exposed to. The sensitivity analysis is calculated on cash and cash equivalent and restricted cash balances held in USD and EUR denominated bank accounts at the year end.

As at 31 December	2022	2021
Change in USD 5%	£'000	£'000
Strengthening – 5%	9,999	5,932
Weakening – 5%	(9,999)	(5,932)

**25. Fair value measurement**

*Fair value disclosure of financial assets and liabilities:*

As at 31 December	2022		2021	
	Carrying amount £'000	Fair value £'000	Carrying amount £'000	Fair value £'000
<b>Financial assets held at amortised cost:</b>				
Other receivables <sup>1</sup>	2,713	2,713	2,029	2,029
Cash and cash equivalents	316,332	316,332	229,702	229,702
Restricted cash	269	269	250	250
<b>Total financial assets held at amortised cost</b>	<b>319,314</b>	<b>319,314</b>	<b>231,981</b>	<b>231,981</b>

<sup>1</sup>Other receivables balance above excludes prepayments, VAT receivable, Tax prepayments and R&D tax receivables

As at 31 December	2022		2021	
	Carrying amount £'000	Fair value £'000	Carrying amount £'000	Fair value £'000
<b>Financial liabilities at amortised cost:</b>				
Trade and other payables <sup>2</sup>	34,038	34,038	17,825	17,825
Lease liabilities	20,064	20,064	15,541	15,541
Liability related to future royalties and sales milestones, net	104,138	104,138	34,604	34,604
Other long term payables	94	94	94	94
<b>Total financial liabilities at amortised cost</b>	<b>158,334</b>	<b>158,334</b>	<b>68,064</b>	<b>68,064</b>

<sup>2</sup>Trade and other payables balance above excludes corporate tax

As at 31 December	2022		2021	
	Carrying amount £'000	Fair value £'000	Carrying amount £'000	Fair value £'000
<b>Financial liabilities measured at fair value through profit and loss (recurring):</b>				
Warrant derivative liability	1,622	1,622	7,176	7,176
<b>Total financial liabilities measured at fair value through profit and loss (recurring):</b>	<b>1,622</b>	<b>1,622</b>	<b>7,176</b>	<b>7,176</b>

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Fair value measurement hierarchy for recurring financial liabilities measure at fair value through profit and loss at 31 December 2022 and 2021, respectively:

	Fair value measurement using			
	Total (£'000s)	Quoted prices in an active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>As at 31 December 2022</b>				
<b>Financial liabilities measured at fair value through profit and loss (recurring)</b>				
Warrant derivative liability	1,622	—	—	1,622
<b>As at 31 December 2021</b>				
<b>Financial liabilities measured at fair value through profit and loss (recurring)</b>				
Warrant derivative liability	7,176	—	—	7,176

There were no transfers between Level 1 and Level 2 during 2022 and 2021.

**Reconciliation of fair value measurement of warrant derivative liability:**

A summary of the changes in the Group's warrant derivative liability's fair value is illustrated in the table below for the years ended 31 December 2022 and 2021, respectively:

	£000's
At 31 December 2020	—
Fair value on 6 November 2021	7,906
Fair value adjustment (included in finance income)	(730)
<b>At 31 December 2021</b>	<b>7,176</b>
Fair value adjustment (included in finance income)	(5,554)
<b>At 31 December 2022</b>	<b>1,622</b>

**Significant level 3 inputs relating to fair value measurement of warrant derivative liability:**

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 December 2022 and 2021, respectively are shown below:

As at 31 December 2022	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value (amounts in £'000)
Warrant derivative liability	Black Scholes option pricing model	Expected volatility	81.01%	5% increase (decrease) would result in an increase (decrease) in fair value by £162
As at 31 December 2021	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value (amounts in £'000)
Warrant derivative liability	Black Scholes option pricing model	Expected volatility	80.23% to 80.90%	5% increase (decrease) would result in an increase (decrease) in fair value by £412

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**26. Restructuring provision**

In January 2021, the Group announced the restructuring of the Group's R&D strategy to prioritize the obe-cel (AUTO1) program. The Group also announced an adjustment of the Group's workforce and infrastructure footprint during the first quarter of 2021, which involved an overall reduction in headcount of approximately 20%. The reduction in workforce was completed by the end of the six month period ended 30 June 2021. There were no outstanding amounts payable relating to the reduction in workforce as at 31 December 2021.

The Group recognised a corresponding severance charge of £0.9 million which has been presented on a proportionate basis within general and administrative expenses and research and development expenses.

There have been no similar restructuring expenses incurred during the year ended 31 December 2022.

**27. Commitments and contingencies**

**License Agreements**

***University College of London Business Ltd. (UCLB) License***

In September 2014, the Group entered into an exclusive license agreement (the "License") with UCL Business Ltd. ("UCLB"), the technology transfer company of University College London ("UCL"), to obtain licenses to certain technology rights in the field of cancer therapy and diagnosis. In March 2016, the License was amended to include additional rights.

As part of the consideration for the License in September 2014, the Group issued 1,497,643 ordinary shares to UCLB. The Group paid upfront fees of £0.3 million and issued an additional 313,971 ordinary shares to UCLB when the License was amended in March 2016.

In March 2018, the License was further amended and restated to include a license to the Group's product candidate, AUTO1, for which UCL is conducting Phase 1 clinical trials of AUTO1 in paediatric and adult ALL patients. The Group paid an upfront fee of £1.5 million for consideration for the amended and restated License and paid an additional £0.35 million in connection with UCLB's transfer of clinical data to the Group in December 2020. No equity was issued as part of the upfront fee consideration.

Additionally, the Group may be obligated to make payments to UCLB under the amended and restated License upon the initiation of certain clinical activities in an aggregate amount of £0.18 million, the receipt of specified regulatory approvals in an aggregate amount of £37.0 million, the start of commercialisation in an aggregate amount of £18.0 million, and the achievement of net sales levels in an aggregate amount of £51.0 million, as well as royalty payments based on possible future sales resulting from the utilization of the licensed technologies. On a per-product basis, these milestone payments range from £1.0 million to £18.5 million, depending on which T cell programming modules are used in the product achieving the milestone. The Group considers the specified regulatory and commercial milestones probable when actually achieved.

Under the terms of the license, we have the right to grant sub-licenses to third parties, subject to certain restrictions. If we receive any income in connection with such sublicenses, we must pay UCLB a percentage of the income allocable to the value of the sublicensed intellectual property rights ranging from the low twenties to mid-single digits percent, decreasing based on the development expenses incurred by us and the passage of time. During the year ended 31 December 2022, £0.1 million was payable to UCLB by the Group relating to the income allocable to the value of the sublicensed intellectual property rights. UCLB has retained the right to use the licensed T cell programming modules for academic research purposes at UCL and with other academic institutions, subject to certain restrictions.

Upon commercialisation of any of the Group's products that use the in-licensed patent rights, the Group will be obligated to pay UCLB a flat royalty for each licensed product ranging from the low- to mid-single digits, depending on which technologies are deployed in the licensed product, based on worldwide annual net sales of each licensed product, subject to certain reductions, including for the market entry of competing products and for loss of patent coverage of licensed products. The Group may deduct from the royalties payable to UCLB one-half of any payments made to a third party to obtain a license to such third party's intellectual property that is necessary to exploit any licensed products. Once net sales of a licensed product have reached a certain specified threshold, the Group may exercise an option to buy out UCLB's rights to the remaining milestone payments, royalty payments, and sublicensing revenue payments for such licensed product, on terms to be negotiated at the time.

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The License expires on a product-by-product and country-by-country basis upon the expiration of the royalty term with respect to each product in each country. The Group may unilaterally terminate the license agreement for any reason upon advance notice to UCLB. Either party may terminate the License for the uncured material breach by the other party or for the insolvency of the other party. If UCLB terminates the License following the Group's insolvency or the Group's Group breach of the License, or if the Group terminates the License unilaterally, all rights and licenses granted to the Group will terminate, and all patent rights and know-how transferred to the Group pursuant to the License will revert back to UCLB, unless and to the extent the Group has exercised its option to acquire ownership of the licensed patent rights. In addition, UCLB has the right to negotiate with the Group for the grant of an exclusive license to the Group's improvements to the T cell programming modules the Group has licensed on terms to be agreed upon at the time.

The Group concluded that, as of 31 December 2022, there were no other milestones for which the likelihood of achievement was probable.

***Noile-Immune Biotech Inc.***

In November 2019, the Group entered into an exclusive license agreement with Noile-Immune Biotech Inc. ("Noile") under which the Group will have the right to develop CAR T cell therapies incorporating Noile's PRIME (proliferation-inducing and migration-enhancing) technology. The PRIME technology is designed to improve proliferation and trafficking into solid tumours of both engineered CAR T cells as well as the patient's own T cells.

The Group paid an upfront fee and may be obligated to make additional payments to Noile upon the achievement of development milestones and receipt of regulatory approvals product sale milestones, as well as royalty payments based on possible future sales resulting from the utilization of the licensed technology.

The Group concluded that, as of 31 December 2022, there were no other milestones for which the likelihood of achievement was probable.

**Adaptive Biotechnologies Corporation**

In July 2022, the Group renegotiated a master services agreement with Adaptive Biotechnologies Corporation ("Adaptive"), under which Adaptive's assay is used to analyse patient samples from relapsed/refractory B Cell Acute Lymphoblastic Leukaemia (rB-ALL) patients. Under the agreement, the Group is obligated to make specified payments to Adaptive upon the achievement and receipt of certain regulatory approvals and achievement of commercial milestones in connection with the Group's use of the Adaptive assay.

**Legal Proceedings**

From time to time, the Group may be a party to litigation or subject to claims incident to the ordinary course of business. Regardless of the outcome, litigation can have an adverse impact on the Group because of defence and settlement costs, diversion of management resources and other factors. The Group was not a party to any litigation and did not have contingency reserves established for any liabilities as of 31 December 2022.

**28. Related party transactions**

A related party is a person or an entity that is related to the reporting entity:

- A person or a close member of that person's family is related to a reporting entity if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel.
- An entity is related to a reporting entity if, among other circumstances, it is a parent, subsidiary, fellow subsidiary, associate, or joint venture of the reporting entity, or it is controlled, jointly controlled, or significantly influenced or managed by a person who is a related party.

The following is a description of related party transactions the Group has entered into during the financial years ended 31 December 2022 and 2021 with its directors, members of its senior management and holders of more than 5% of its outstanding voting securities and their affiliates, whom the Group refer to as our related persons, in which the amount involved exceeds £100,000 and that are material to the Group, other than the compensation arrangements.

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements**  
**For the year ended 31 December 2022**

**Transactions with Entities Affiliated with Blackstone**

On 6 November 2021, the Group concurrently entered into the Blackstone Agreements. Refer to Note 21, "Liability relating to future royalties and sales milestones, net", Note 22, "Warrants" and Note 18, "Share Capital Equity". Subsequent to the execution of the Blackstone Agreements, Blackstone became a related party as Blackstone owns more than 5% of the Group outstanding voting securities and is therefore one of the principal owners of the Company. In addition, Blackstone received the right to nominate one director to the Board of the Group; William Young was appointed to our Board as Blackstone's designee pursuant to this right.

In addition, pursuant to the Securities Purchase Agreement, the Company sold 17,985,611 ADSs representing 17,985,611 ordinary shares of the Company to Blackstone at a Group of \$5.56 per ADS, for gross proceeds of £74.1 million (\$100 million). Aggregate net proceeds to the Company after commission fees and issuance costs, were £72.6 million (\$98.0 million).

Pursuant to the Blackstone Warrant, the Company issued Blackstone a warrant to purchase up to 3,265,306 ADSs representing 3,265,306 of the Group's ordinary shares, at an exercise price of \$7.35 per ADS. The Blackstone Warrant is exercisable in whole or in part until 6 November 2026. The fair value adjustment relating to the Blackstone Warrant derivative liability amounted to £5.5 million and £0.7 million for the years ended 31 December 2022 and 2021 respectively. Refer to Note 22 "Warrant derivative liability".

As of 31 December 2022, the carrying amount of the Blackstone Collaboration Agreement liability was £104.1 million which included cumulative non-cash interest expense (including cumulative catch-up adjustments), of £7.5 million and £0.8 million for the years ended 31 December 2022 and 2021, respectively. In December 2022, two Blackstone Development Payments were paid by Blackstone of \$35.0 million each as a result of (i) the joint steering committee's review of Autolus' interim analysis of pivotal FELIX Phase 2 clinical trial of obe-cel in relapsed/refractory (r/r) adult Acute Lymphoblastic Leukaemia (ALL) and (ii) achievement of a pre-agreed manufacturing milestone as a result of completion of planned activities demonstrating the performance and qualification of the Group's obe-cel's manufacturing process.

**Syncona Portfolio Limited**

**Participation in February 2021 Public Offering**

In the Company's February 2021 public offering, Syncona Portfolio Limited purchased 3,571,428 ADSs. This purchase was made through the underwriters at the public offering price.

**Participation in December 2022 Public Offering**

In connection with the Company's December 2022 public offering, certain of its related parties purchased its ADSs from the underwriters at the public offering price of \$2.00 per ADSs, and on the same terms as other investors in our public offering. The following table summarizes purchases of ADS by our related parties:

Related party	ADSs	Total purchase price (In millions)
Syncona Portfolio Limited (1)	14,000,000	\$ 28.0
Deep Track Capital, LP (2)	15,000,000	\$ 30.0
Qatar Investment Authority (3)	15,000,000	\$ 30.0
Armistice Capital, LLC (4)	10,000,000	\$ 20.0
Entities affiliated with Blackstone (5)	2,500,000	\$ 5.0
	<b>56,500,000.00</b>	<b>\$ 113.0</b>

(1) Syncona Portfolio Limited is a holder of more than 5% of our capital stock.

(2) In connection with this transaction, Deep Track Capital, LP became a holder of more than 5% of our capital stock.

(3) In connection with this transaction, Qatar Investment Authority became a holder of more than 5% of our capital stock.

(4) In connection with this transaction, Armistice Capital, LLC became a holder of more than 5% of our capital stock.

(5) Entities affiliated with Blackstone collectively hold more than 5% of our capital stock.



**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Consolidated Financial Statements**  
**For the year ended 31 December 2022**

**Guarantees with group undertakings for the year ended 31 December 2022**

Autolus Therapeutics plc (registration number: 11185179) agreed to provide a guarantee, in the ordinary course of business, to Autolus Holdings (UK) Limited (registration number: 11365111) to take the exemption from having their financial statements audited under sections 479A to 479C of the Companies Act 2006. This guarantee to Autolus Holdings (UK) Limited is to guarantee its trade and other payable amounts of £21 (in thousands) for the financial year ended 31 December 2022. In respect to this guarantee, it is judged to be remote that any cash outflow will arise.

**29. Events after balance sheet date**

The Group evaluated subsequent events through to 25 May 2023, the date on which these financial statements were issued.

In January 2023, the Group 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. In January 2023, the Group recognised a license fee of £1.0 million as license revenue upon execution of the Cabaletta Option and License Agreement.

In March 2023, the Group and Cell Therapy Catapult Limited mutually agreed: (i) to terminate the lease relating to the leased manufacturing suite which originally had a lease term until February 2025, (ii) to extend the lease term of one of the remaining manufacturing suites from June 2023 to August 2024, and (iii) to extend the lease term of a third manufacturing suite leased by the Group from September 2023 to August 2024. In addition, in March 2023, the Group recognized a loss on disposal of leasehold improvements of £3.1 million arising from the manufacturing suite terminated and exited on 31 March 2023.

# AUTOLUS THERAPEUTICS PLC

## Parent Company Balance Sheet

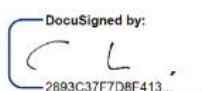
As at 31 December	Note	2022 £'000	2021 (Restated) £'000
<b>Non-current assets</b>			
Investments in subsidiaries	3, 7	844,162	709,118
<b>Total Assets</b>		<b>844,162</b>	<b>709,118</b>
<b>Current Liabilities</b>			
Warrants derivative liability	10	(1,622)	(7,176)
<b>Net current liabilities</b>		<b>(1,622)</b>	<b>(7,176)</b>
<b>Total assets less current liabilities</b>		<b>842,540</b>	<b>701,943</b>
<b>Non-current Liabilities</b>			
Liability related to future royalties and sale milestones, net	3	—	—
<b>Equity attributable to equity holders of the parent</b>			
Share capital	9	5	3
Deferred shares	9	88	88
Share premium		548,028	424,077
Share-based payment reserve		65,987	54,897
Retained earnings		228,432	222,878
<b>Equity attributable to owners of the Company</b>		<b>842,540</b>	<b>701,943</b>

The profit for the year of the Company for the financial year is £5,554 (2021 restated: £733).

The parent company has adopted the exemption of presenting the profit and loss account as permitted by section 408 of the Companies Act 2006.

The notes on pages 107 to 111 are an integral part of these financial statements.

These financial statements were approved by the Board and authorised for issue on 25 May 2023 and were signed on its behalf by:

DocuSigned by:  
  
 2893C37F7D8F413...

Christian Itin  
Director

Company registered number: 11185179

25 May 2023

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

## AUTOLUS THERAPEUTICS PLC

### Parent company Statement of Changes in Equity

For the year ended 31 December 2022

	Share Capital £000	Deferred Shares £000	Share Premium Account £000	Share Based Reserves £000	Retained Earnings £000	Total £000
<b>Balance at 31 December 2020</b>	<b>2</b>	<b>88</b>	<b>257,553</b>	<b>47,420</b>	<b>222,145</b>	<b>527,208</b>
Loss for the year	—	—	—	—	(29)	(29)
Issue of ordinary shares	1	—	174,718	—	—	174,719
Issuance cost	—	—	(8,283)	—	—	(8,283)
Exercise of share options	—	—	89	—	—	89
Share based payment expense	—	—	—	7,477	—	7,477
<b>Balance at 31 December 2021 (as previously presented)</b>	<b>3</b>	<b>88</b>	<b>424,077</b>	<b>54,897</b>	<b>222,116</b>	<b>701,181</b>
Prior period adjustment (Refer to Note 3)	—	—	—	—	733	733
<b>Balance at 31 December 2021 restated</b>	<b>3</b>	<b>88</b>	<b>424,077</b>	<b>54,897</b>	<b>222,878</b>	<b>701,943</b>
Profit for the year	—	—	—	—	5,554	5,554
Issue of ordinary shares	2	—	133,173	—	—	133,175
Issuance cost	—	—	(9,318)	—	—	(9,318)
Exercise of share options	—	—	96	—	—	96
Share based payment expense	—	—	—	11,205	—	11,205
<b>Balance at 31 December 2022</b>	<b>5</b>	<b>88</b>	<b>548,028</b>	<b>66,102</b>	<b>228,432</b>	<b>842,655</b>

- Share capital represents the nominal value of the Parent Company's cumulative issued share capital.
- Share premium represents the cumulative excess of the fair value of consideration received for the issue of shares in excess of their nominal value less attributable share issue costs and other permitted reductions.
- Share based reserves represents shares with no voting rights that were issued as part of a share conversion and reorganisation - refer to Note 19 Share based payments in the notes to the consolidated financial statements.
- Retained earnings represent the cumulative value of the profits not distributed to shareholders but retained to finance the future capital requirements of the Parent Company.

The notes on pages 107 to 111 are an integral part of these financial statements.

# AUTOLUS THERAPEUTICS PLC

## Notes to the Parent Company Financial Statements

For the year ended 31 December 2022

### 1. General overview

Autolus Therapeutics plc (the "Parent Company") is a biopharmaceutical company developing next-generation programmed T cell therapies for the treatment of cancer. Using its broad suite of proprietary and modular T cell programming technologies, the Group is engineering precisely targeted, controlled and highly active T cell therapies that are designed to better recognize cancer cells, break down their defence mechanisms and attack and kill these cells. The Group believes its 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.

### 2. Accounting Policies

#### Domicile

Autolus Therapeutics plc is a public company incorporated, domiciled and registered in England and Wales, in the United Kingdom. The Company registration number is 11185179. Its registered office is The MediaWorks, 191 Wood Lane, London W12 7FP, United Kingdom. The nature of the Parent Company's operations and its principal activities are set out in the Autolus Therapeutics plc group's Strategic Report. The financial statements are presented in thousands (£'000) and in British Pound Sterling.

#### Statement of Compliance

The financial statements have been prepared in accordance with Financial Reporting Standard 102 *"The Financial Reporting Standard applicable in the UK and Republic of Ireland"* (FRS 102) and in accordance with applicable accounting standards.

#### Basis of preparation

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 pound sterling (£'000).

The Parent Company has taken advantage of the following disclosure exemptions under FRS 102:

- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- The requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26 (in relation to those cross-referenced paragraphs from which a disclosure exemption is available), 12.27, 12.29(a), 12.29(b), and 12.29A provided disclosures equivalent to those required by this FRS are included in the consolidated financial statements of the group in which the entity is consolidated.
- The requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23, provided that for a qualifying entity that is: (i) a subsidiary, the share-based payment arrangement concerns equity instruments of another group entity; (ii) an ultimate parent, the share-based payment arrangement concerns its own equity instruments and its separate financial statements are presented alongside the consolidated financial statements of the group; and, in both cases, provided that the equivalent disclosures required by this FRS are included in the consolidated financial statements of the group in which the entity is consolidated.
- The requirement of Section 33 Related Party Disclosures paragraph 33.7.

Additional accounting policies for these separate financial statements of the Parent Company are set out below.

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Parent Company Financial Statements (continued)**  
**For the year ended 31 December 2022**

**Going Concern**

These separate financial statements of the Parent Company have been prepared on the going concern basis. The going concern assessment of Autolus Therapeutics plc has been prepared by the Board at the group level. The Parent Company's going concern disclosures are the same as those of the consolidated financial statements. Refer to Note 2, "Going Concern" in the Autolus Therapeutics plc consolidated financial statements.

**Significant accounting policies**

***Impairment of non-financial assets (excluding Investment properties)***

At each reporting date, the Parent Company assesses whether an asset may be impaired. If any such indication exists the Parent Company estimates recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the Parent Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss unless the asset is carried at a revalued amount where the impairment loss of a revalued asset is a revaluation decrease.

An impairment loss recognised for example, on investment in subsidiaries, is reversed in a subsequent period when the reasons for which the impairment was made have ceased to apply. Impairment relating to goodwill is never reversed.

Refer to Note 7 "Investments in subsidiaries" for assumptions used in the determination of the recoverable amount of Investment in subsidiaries.

***Foreign currencies***

***i) Transactions and balances***

Transactions in foreign currencies are initially recorded by the Parent Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income, "OCI" or loss or income statement are also recognised in OCI or income statement, respectively).

***Financial instruments***

The Parent Company has chosen to account for its financial instruments in accordance with Sections 11 and 12 of FRS 102. The Parent Company's financial liabilities comprise of a derivative liability relating to the Blackstone Warrant. The accounting policies for these items are described below.

***Basic financial instruments - financial liabilities***

Basic financial liabilities including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the liability is measured at the present value of the future payments discounted at a market rate of interest.

Basic financial liabilities, other than short term payables, are subsequently carried at amortised cost, using the effective interest rate method. The effective interest rate amortisation is included in interest payable and similar expenses in the income statement.

Short term trade and other payables with no stated interest rate which are payable within one year are recorded at transaction price.

***Investment in Subsidiaries***

The investment in the subsidiary arose on the reorganisation of the Autolus Therapeutics plc group. The investment is recorded at cost less impairment.

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Parent Company Financial Statements (continued)**  
**For the year ended 31 December 2022**

**3. Prior period Adjustment**

On 6 November 6, 2021, the Group concurrently entered into a (i) Strategic Collaboration and Financing Agreement, (the "Blackstone Collaboration Agreement"), (ii) Securities Purchase Agreement (the "Blackstone Securities Purchase Agreement"), and (iii) Warrant Agreement (the "Blackstone Warrant") and (iv) a Registration Rights Agreement (the "Blackstone Registration Rights Agreement"), collectively called the "Blackstone Agreements", with BXL V - Autobahn L.P, ("Blackstone"). The Blackstone Agreements were entered into and in contemplation of one another and, accordingly, the group assessed the accounting for these agreements in the aggregate.

Blackstone Collaboration Agreement

Pursuant to the Blackstone Collaboration Agreement, Blackstone agreed to pay the Autolus Limited up to \$150.0 million to support the continued development of our CD19 CAR T cell investigational therapy product candidate, obecabtagene autoleucel (obe-cel), as well as next generation product therapies of obe-cel in B-cell malignancies. These payments include (i) an upfront payment of \$50.0 million and (ii) up to \$100.0 million payable based on the achievement of certain specified clinical, manufacturing and regulatory milestones (each such payment, a "Blackstone Development Payment" and collectively, the "Blackstone Development Payments").

During the year ended 31 December 2021, the Parent Company originally accounted and recognised the Blackstone Collaboration liability, arising from the Blackstone Collaboration Agreement in its separate financial statements. Pursuant to the Blackstone Collaboration Agreement, the counterparties for this agreement included Autolus Limited and Blackstone. As the Parent Company was not a counterparty to the Blackstone Collaboration Agreement, it should not have recognised the Blackstone Collaboration liability, i.e the liability related to future royalties and sale milestones, net, in its financial statements for the year ended 31 December 2021. As a result, the Parent Company has restated its financial statement balances for the year ended 31 December 2021 by reversing the original Blackstone Collaboration Agreement liability thereby (amounts in thousands Pound sterling); i) reducing the liability related to future royalties and sale milestones, net by £34,604, ii) reducing investment in subsidiaries by £33,843 and iii) increasing retained earnings by £761 which related to the reversal of the recognition of the finance expense recognised for the period 06 November 2021 to 31 December 2021. This prior period adjustment does not have an impact on the financial statement balances and transactions for the year ended 31 December 2020.

The effect of the prior period adjustment is as follows:

	As previously reported £'000	Adjustment £'000	As restated £'000
<b>31 December 2021</b>			
Investments in subsidiaries	742,961	(33,843)	709,118
<b>Total Assets</b>	<b>742,961</b>	<b>(33,843)</b>	<b>709,118</b>
<b>Non-current liabilities</b>			
Liability related to future royalties and sale milestones, net	(34,604)	34,604	—
<b>Net assets</b>	<b>701,181</b>	<b>761</b>	<b>701,943</b>
Retained earnings	222,116	761	222,878
<b>Equity attributable to owners of the Company</b>	<b>701,181</b>	<b>761</b>	<b>701,943</b>

**4. Employees**

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



**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Parent Company Financial Statements (continued)**  
For the year ended 31 December 2022

**5. Auditor's remuneration**

Fees payable to the Company's auditor and its associates for the audit of the parent company's annual accounts were £20,419 (2021: £12,500). These fees were borne by a subsidiary.

Amounts paid to the Parent Company's auditor and its associates in respect of services to the company, other than the audit of the Parent Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis. Refer to Note 8 within the Autolus Therapeutics plc's consolidated financial statements for the year ended 31 December 2022 for all fees paid and payable to Parent Company's auditors.

**6. Employees**

There are no employees in the Parent Company. The directors of the Parent Company are also directors or officers of other companies within the Autolus Therapeutics Group. Directors are remunerated by other companies within the group. These directors' services to the Parent Company do not occupy a significant amount of their time. As such these directors do not consider that they receive any remuneration for their incidental services to the Parent Company for the year ended 31 December 2022 (2021: Nil).

**7. Investments in subsidiaries**

The Parent Company has the following (direct or indirect) interests in subsidiary undertakings:

Name	Principal activities	Country of Incorporation	% equity interest held	Ordinary Shares Issued	Nominal value	Total
Autolus Holdings (UK) Limited	Holding Company	England and Wales	100	1,000	£1	£1,000
Autolus Limited	Pharmaceutical research and development	England and Wales	100	100	£0.001	£0.10
Autolus Inc.	Pharmaceutical research and development	United States of America	100	100,000	\$0.0001	\$10
Autolus GmbH	Pharmaceutical research and development	Germany	100	25,000	€1	€25,000

All subsidiaries are indirectly held through Autolus Holdings (UK) Limited, which is held directly by Autolus Therapeutics plc.

The registered office of Autolus Therapeutics plc, Autolus Holdings (UK) Limited and Autolus Limited are 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.

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Parent Company Financial Statements (continued)**  
For the year ended 31 December 2022

	£'000
<b>Balance at 31 December 2020</b>	<b>527,208</b>
Capital contribution	208,276
Capital contribution in respect of share-based payment transactions	7,477
<b>Balance at 31 December 2021 (as previously reported)</b>	<b>742,961</b>
Capital contribution - BXL5 collaboration liability	(33,842)
<b>At 31 December 2021 restated</b>	<b>709,119</b>
Capital contribution	123,953
Capital contribution in respect of share-based payment transactions	11,090
<b>At 31 December 2022</b>	<b>844,162</b>

As at 31 December 2022, the Parent Company 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.

The capital contribution of £124.0 million (2021 restated: £208.3 million) was provided from the Parent Company to Autolus Limited. This capital contribution relates to the net aggregate proceeds arising the Parent Company's public offering in December 2022 and proceeds arising from the exercise of shares options during the year ended 31 December 2022.

During the year ended 31 December 2021, the Parent Company originally recognised the net aggregate proceeds arising from the Blackstone Collaboration liability, pursuant to the Blackstone Collaboration Agreement in its separate financial statements. However, the Blackstone Collaboration Agreement's counterparties included Autolus Limited, a wholly owned subsidiary of the Parent Company, and Blackstone. As a result, the Parent Company has restated its investment in subsidiaries balance the year ended 31 December 2021, as the Parent Company was not a counterparty to the Blackstone Collaboration Agreement and consequently should not have recognised the Blackstone Collaboration liability in its financial statements.

**8. Share capital**

Disclosed as part of Note 18 in the notes to the consolidated financial statements.

**9. Warrant derivative liability**

Disclosed as part of Note 22 in the notes to the consolidated financial statements.

**10. Events after balance sheet date**

Disclosed as part of Note 29 in the notes to the consolidated financial statements.

**AUTOLUS THERAPEUTICS PLC**  
**Notes to the Parent Company Financial Statements (continued)**  
**For the year ended 31 December 2022**

**1: Form 20-F as filed 7 March 2023**





**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action to be taken, please seek your own financial advice from your stockbroker, solicitor, accountant or other appropriately authorised independent financial adviser.**

If you have recently sold or transferred all of your shares in Autolus Therapeutics plc, you should forward this document and any accompanying documents to your bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or transferred only part of your holdings, you should retain these documents.

The registered office of Autolus Therapeutics plc is The MediaWorks, 191 Wood Lane, London W12 7FP, United Kingdom. Autolus Therapeutics plc is incorporated and registered in England and Wales under the Companies Act 2006, with company number 11185179. Autolus Therapeutics plc's website is [www.autolus.com](http://www.autolus.com) and telephone number is +44 20 3829 6230.

# Autolus Therapeutics plc

## Notice of Annual General Meeting 2023

To be held at:

**The Studio, WestWorks, White City Place, London W12 7FQ.**

On:

**Friday, 30 June 2023, commencing at 11:00 a.m. (British Summer Time).**

## How to vote

Autolus Therapeutics plc ("**Autolus**" or the "**Company**") has ordinary shares, which are capable of being held in certificated form or dematerialised and held in CREST, and may also be represented by American Depositary Shares ("**ADSs**"), with each ADS representing one ordinary share.

Your votes matter. You are strongly encouraged to vote your shares by appointing the chair of the 2023 annual general meeting ("**AGM**") as your proxy. You may also attend the AGM in person.

For more information:

- holders of ordinary shares should refer to the notes on pages 9 – 10; and
- holders of ADSs should refer to the notes on page 11.

## How to attend

The Company's AGM will be held at The Studio, WestWorks, White City Place, London W12 7FQ on 30 June 2023. The AGM will commence at 11:00 a.m. (British Summer Time). If you receive your notifications by email, you will be asked to show a copy, either on an electronic device or as a print out. Please bring your admission card, if you have one and be prepared to provide evidence of your shareholding and/or identity.

If you are attending on behalf of a registered holder of shares you must bring photographic proof of identity and evidence of your appointment to represent that shareholder, including their admission card if possible. This includes people appointed as proxies, corporate representatives and those with power of attorney. Please refer to the notes on pages 9 – 11.

If you are bringing a guest, please let us know in advance.

## How to order paper copies

You can order a paper copy of this notice or any other company report at [www.autolus.com](http://www.autolus.com).

Copies will also be available at the AGM.



## Chairman's letter

Dear Shareholder,

### 2023 Annual General Meeting of Autolus Therapeutics plc

On behalf of the Company's board of directors (each, a "**Director**" and together, the "**Board**") and senior management, I look forward to welcoming you to the Company's 2023 Annual General Meeting at The Studio, WestWorks, White City Place, London W12 7FQ, on 30 June 2023. The AGM will start at 11:00 a.m. British Summer Time.

At the AGM, we will be discussing our performance during the fiscal year ending on 31 December 2022, and our strategy. Full details of the fiscal year in review are set out in the 2022 Autolus Annual Report and Accounts (the "**2022 Annual Report and Accounts**"), which can be found at [www.autolus.com](http://www.autolus.com).

### Business of the AGM

The business we will discuss at the AGM is made up of resolutions that we regularly bring to shareholders. For a more robust update on the Company's business, and full details of the fiscal period in review, you should consult the Company's 2022 Annual Report and Accounts, including and the associated reports of the Directors and auditors, and also the Company's 2022 Annual Report on Form 20-F, which can be found at [www.autolus.com](http://www.autolus.com).

### Recommendation

The formal notice of AGM is set out on pages 4 – 5 of this notice and an explanation of each of the resolutions to be considered at the AGM may be found on pages 6 – 8 of this notice. Your Directors consider that all of the resolutions that are being proposed to the AGM are in the best interests of the Company and its shareholders as a whole and are most likely to promote the success of the Company for the benefit of its shareholders as a whole.

Accordingly, your Directors unanimously recommend that you vote in favour of the resolutions as each of the Directors with personal holdings of shares in the Company intends to do in respect of their own beneficial holdings of shares.

Your votes do matter. Information about how to vote at the AGM is given on pages 9 – 11 of this notice. If you cannot attend the AGM, please vote your shares by appointing a proxy.

Thank you for your ongoing support of Autolus.

**John Johnson**  
**Non-Executive Chairman**  
5 June 2023

# Notice of 2023 Annual General Meeting

Notice is hereby given that the 2023 Annual General Meeting of Autolus Therapeutics plc will be held at The Studio, WestWorks, White City Place, London W12 7FQ on 30 June 2023 commencing at 11:00 a.m. (British Summer Time), for the transaction of the following business.

This notice is being sent to you because, as of Wednesday, 31 May 2023 (being the latest practicable date before publication of this notice), you are registered as a holder of ordinary shares in the register of members of the Company. However, this notice will also be made available to holders of ADSs and contains information relevant to holders of ADSs.

All resolutions to be considered at the AGM will be proposed as ordinary resolutions. That means that for each of the resolutions to be passed, more than half of the votes cast must be in favour of the resolution. The Board considers that all resolutions to be considered at the AGM are in the best interests of the Company and its shareholders and are most likely to promote the success of the Company for the benefit of its shareholders as a whole and recommends that you vote in favour of such resolutions.

You can order a paper copy of this notice or any other company report at [www.autolus.com](http://www.autolus.com).

## Ordinary resolutions

### Resolution 1

#### Report and accounts

To receive and adopt the Company's accounts for the financial year ended 31 December 2022 and the associated reports of the Directors and auditors (the "**2022 Annual Report and Accounts**"). See the notes on page 6.

### Resolution 2

#### Directors' remuneration report

To approve the Directors' remuneration report (excluding the Directors' remuneration policy set out on pages 21 to 32 (inclusive) of the Directors' remuneration report), which is set out on pages 18 to 41 (inclusive) of the 2022 Annual Report and Accounts. See the notes on page 6.

### Resolution 3

#### Re-appointment of auditors and determination of auditors' remuneration

To re-appoint Ernst & Young LLP as auditors of the Company to hold office from the conclusion of the AGM until the conclusion of the AGM of the Company to be held in 2024 and to authorise the Directors to determine the auditors' remuneration. See the notes on page 6.

### Resolution 4

#### Director re-election

To re-elect Mr. J Berriman as a Director. See the notes on pages 6 – 7 and the biography of Mr. J Berriman on page 7.

### Resolution 5

#### Director re-election

To re-elect Dr. K Dhingra as a Director. See the notes on pages 6 – 7 and the biography of Dr. K Dhingra on pages 7 – 8.

### Resolution 6

#### Director re-election

To re-elect Mr. J Johnson as a Director. See the notes on pages 6 – 7 and the biography of Mr. J Johnson on page 8.

## Notice of 2022 Annual General Meeting (cont'd)

The results of the polls taken on the resolutions at the AGM and any other information required by the Companies Act will be made available on the Company's website ([www.autolus.com/investor-relations/agm](http://www.autolus.com/investor-relations/agm)) as soon as reasonably practicable following the AGM and for the required period thereafter.

### BY ORDER OF THE BOARD

Alex Driggs  
Company Secretary  
5 June 2023

The registered office of Autolus Therapeutics plc is The MediaWorks, 191 Wood Lane, London W12 7FP, United Kingdom. Autolus Therapeutics plc is incorporated and registered in England and Wales under the Companies Act, with company number 11185179. Autolus Therapeutics plc's website is [www.autolus.com](http://www.autolus.com) and telephone number is +44 20 3829 6230.



## Notes to Resolutions

### Notes to resolution 1

#### Report and accounts

The Companies Act requires the directors of a public company to lay before the company in general meeting copies of the directors' reports, the independent auditor's report and the audited financial statements of the company in respect of each financial year. For the financial year ended 31 December 2022, these are all contained in the 2022 Annual Report and Accounts.

In accordance with best practice, the Company proposes an ordinary resolution to receive and adopt the 2022 Annual Report and Accounts, a copy of which may be found at: [www.autolus.com/investor-relations/agm](http://www.autolus.com/investor-relations/agm).

### Notes to resolution 2

#### Directors' remuneration report

Resolution 2 seeks shareholder approval for the Annual Statement by the Chairman of the Compensation Committee and Annual Report on Remuneration which can found on pages 18 to 41 (inclusive) of the 2022 Annual Report and Accounts. The Directors' report on remuneration sets out details of each Director's remuneration during the financial year ended 31 December 2022. In accordance with the relevant regulations, the resolution is an advisory vote and does not affect the remuneration already paid to any Director.

### Notes to resolution 3

#### Re-appointment of auditors and determination of auditors' remuneration

Resolution 4 seeks shareholder approval for the re-appointment of Ernst & Young LLP as the Company's auditors until the conclusion of the next AGM at which the Company's accounts are laid before shareholders. This resolution also seeks authority to give the Directors power to set the remuneration of the Company's auditors.

The Directors recommend Ernst & Young LLP's reappointment and seek authority to determine their remuneration. The Board will delegate to the audit committee the authority to determine the auditors' remuneration.

The audit committee will continue to consider the reappointment of the external auditor each year before making a recommendation to the Board.

The audit committee reviews the fee structure, resourcing and terms of engagement for the external auditor annually.

### Notes to resolutions 4, 5 and 6

#### Re-election of Directors

The Directors are divided into three classes designated as "Class I", "Class II" and "Class III". Only the Directors in Class II are required by the Company's articles of association to retire and offer themselves for re-election at the 2023 AGM of the Company. At the following two annual general meetings, the Directors in Class III and Class I, respectively, shall retire from office and be eligible for re-appointment.

In accordance with this requirement, Mr. J Berriman, Dr. K Dhingra and Mr. J Johnson will retire and offer themselves for re-election as directors. At the Board's request, Mr. J Johnson, who had previously decided not to stand for re-election at this year's AGM, has reconsidered that decision and has agreed to stand for re-election on the slate of nominees being proposed by the Board of Directors and, if re-elected, to remain as Chairman of the Board of Directors.

## Notes to resolutions (cont'd)

The nomination committee identifies, evaluates and recommends to the board candidates for appointment or reappointment as directors and for appointment as company secretary.

The nomination committee keeps the diversity, mix of skills, experience and knowledge of the board under regular review and seeks to ensure an orderly succession of directors. The outside directorships and broader commitments of the non-executive directors (including time commitments) are also monitored by the nomination committee.

The nomination committee's reasons for the election or re-election of directors are set out with the biography of each director, as are descriptions of the directors' skills and experience.

In respect of each of the non-executive directors, the Board has fully considered whether each director is free from any relationship that could materially interfere with the exercise of his or her independent judgment. The Board has determined that each of these non-executive directors is considered to be independent.

Mr. J Berriman, Dr. K Dhingra and Mr. J Johnson are recommended by the board for re-election.

### Notes to resolution 5

**John Berriman**

**Non-Executive Director**

John Berriman has served on our Board since August 2014. He serves as chairman of the boards of directors of Confo Therapeutics NV, a position he has held since December 2016, Depixus SAS, a position he has held since December 2015, and Autifony Therapeutics Ltd, a position he has held 2011. He previously served as chairman of the board of directors of ReNeuron Group plc between April 2015 and September 2020; as chairman of the board of directors of Heptares Therapeutics Ltd from 2007 until its acquisition by Sosei Group in February 2015; as chairman of the board of directors of Algeta ASA from 2004 through its listing on the Oslo Stock Exchange in 2007 and subsequently served as deputy chairman from 2008 until it was sold to Bayer AG in 2014; and as a director of Micromet, Inc. from May 2006 until it was sold to Amgen Inc. in 2012. Prior to this, from 1997 to 2004, he was a director of Abingworth Management, an international healthcare venture capital firm, where he was involved in founding, financing and serving as a director of several biotechnology companies in Europe and the United States, many of which obtained listings on public stock exchanges. Prior to that, Mr. Berriman spent 14 years with Celltech Group plc and was a member of its board when it listed on the London Stock Exchange in 1994. He holds a M.S in Chemical Engineering from the University of Cambridge and an M.B.A. from the London Business School. We believe that Mr. Berriman is qualified to serve on our Board because of his extensive experience in our industry, including his strategic management and operational experience, his experience serving on public company boards and his experience with public offerings, private investments and mergers.

### Notes to resolution 6

**Kapil Dhingra**

**Non-Executive Director**

Kapil Dhingra, M.D. has served on our Board since August 2014. Dr. Dhingra currently serves as the managing member of KAPital Consulting, LLC, a healthcare consulting firm he founded in June 2008. Dr. Dhingra has over 30 years of experience in oncology clinical research and drug development. From 1999 to 2008, Dr. Dhingra worked at Hoffmann-La Roche, where he served in roles of increasing responsibility, most recently as vice president, head of the oncology disease biology leadership team and head of oncology clinical development. From



## Notes to resolutions (cont'd)

2000 to 2008, he held a clinical affiliate appointment at Memorial Sloan Kettering Cancer Center. From 1996 to 1999, Dr. Dhingra worked at Eli Lilly and Company where he served in roles of increasing responsibility, most recently as senior clinical research physician. Dr. Dhingra also served as a clinical associate professor of medicine at the Indiana University School of Medicine from 1997 to 1999. Prior to Eli Lilly and Company, Dr. Dhingra was a member of the faculty of the MD Anderson Cancer Center of the University of Texas from 1989 to 1996. Dr. Dhingra has served on the boards of directors of LAVA Therapeutics BV since February 2021, Black Diamond Therapeutics since January 2021, Replimune Limited since July 2017, Median Technologies, a medical imaging software company, since June 2017, and Mariana Oncology (previously known as Curie Therapeutics) since January 2022. Dr. Dhingra previously served as a member of the boards of directors of BioVex from 2009 until its acquisition by Amgen Inc. in 2011, Micromet, Inc. from February 2009 until its acquisition by Amgen Inc. in 2012, YM Biosciences Inc. from 2012 until its acquisition by Gilead Sciences, Inc. in February 2013, Algeta ASA from 2010 until its acquisition by Bayer in March 2014 and EpiTherapeutics ApS from January 2014 until its acquisition by Gilead in May 2015, Advanced Accelerator Applications S.A., a pharmaceutical company, from April 2014 until its acquisition by Novartis in January 2018, Exosome Diagnostics from 2012 until its acquisition by Bio-Techne Corporation in August 2018, and Five Prime Therapeutics, Inc., a biotechnology company, from December 2015 until its acquisition by Amgen in April 2021. Dr. Dhingra holds an M.D. from the All India Institute of Medical Services in New Delhi, India and has performed postgraduate work at the All India Institute of Medical Services, the Lincoln Medical and Mental Health Center of New York Medical College and Emory University School of Medicine. We believe that Dr. Dhingra is qualified to serve on our Board because of his extensive experience in executive positions with several pharmaceutical companies and in the clinical development of pharmaceuticals in several therapeutic areas, including in oncology, and his experience serving on the boards of numerous publicly traded life science companies.

### Notes to resolution 7

**John Johnson**

**Non-Executive Director**

John H. Johnson was appointed as our Chairman of the Board in September 2021. Since May 2022, he has served as the Chief Executive Officer and a non-executive director of Reaction Biology, a provider of drug discovery services. Previously, he served as Chief Executive Officer of Strongbridge Biopharma plc, between July 2020 and October 2021, until its acquisition by Xeris Biopharma Holdings. Since October 2021, he has served as a non-executive director for Xeris. He previously served as Strongbridge's Chairman of the board of directors from March 2015 until November 2019 and Executive Chairman from November 2019 until July 2020. Additionally, he has served as a member of the board of directors of Verastem, Inc. since April 2020, and Axogen, Inc. since July 2021. Mr. Johnson recently served as a board member of Melinta Pharmaceuticals, Inc. through September 2019, having served as Chief Executive Officer from February 2019 through August 2019 and as interim Chief Executive Officer from October 2018 through February 2019. Mr. Johnson is the former lead independent director of Sucampo Pharmaceuticals, Inc., from January 2016 until February 2018, and a former director of Histogenics Corporation, from November 2013 until February 2019, AVEO Pharmaceuticals, Inc., from February 2018 until February 2019, and Portola Pharmaceuticals, Inc., from March 2014 until July 2020. From July to November 2018, Mr. Johnson served as an interim executive officer of Portola. He is a recognised leader in the biopharmaceutical industry with more than 30 years of experience at leading global organizations, including Johnson & Johnson, Eli Lilly & Company, ImClone, and Pfizer, Inc. John previously served on the board of directors of Pharmaceutical Research and Manufacturers of America (PhRMA), the Health Section Governing Board of Biotechnology Industry Organizations (BIO), and BioNJ, and holds a BS from the East Stroudsburg University of Pennsylvania. We believe that Mr. Johnson is qualified to serve on our Board because of his extensive experience serving on boards of directors of life science companies.



# Voting information for holders of ordinary shares and ADSs

## Holders of ordinary shares

### When is my voting entitlement fixed?

To vote at the AGM you must be a registered holder of ordinary shares at 6:00 p.m. (British Summer Time) on Wednesday, 28 June 2023 (or, if the AGM is adjourned, at 6:00 p.m. (British Summer Time) on the day two working days prior to the adjourned meeting). Your voting entitlement will depend on the number of ordinary shares that you hold at that time.

The holders of ordinary shares are entitled to one vote per share on all matters that are subject to shareholder vote.

### How can I vote at the AGM?

If you are a registered holder of ordinary shares, you can appoint the chair of the AGM or any other person to attend, speak and vote on your behalf. This person is called your proxy. Your proxy does not have to be a shareholder, but must attend the AGM to represent you. We recommend that shareholders appoint the chair of the AGM as their proxy.

You can instruct your proxy how to vote. Where no specific instruction is given by you, your proxy may vote at their discretion or refrain from voting, as they see fit. You can appoint more than one proxy provided it is in relation to different shares within your holding.

You can appoint a proxy and submit voting instructions:

- by logging on to [eproxyappointment.com](https://eproxyappointment.com) and following the instructions;
- by completing and returning the paper form of proxy (if one has been sent to you). Please read the instructions carefully to ensure you have completed and signed the form correctly. Any alterations must be initialled; or
- via CREST (see further notes on page 14).

If you own shares jointly with one or more other persons, then where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. For this purpose, seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

### By when do I have to submit my vote?

Proxy appointments and voting instructions, including any amendments, must be received by Computershare Investor Services, the Company's registrar (the "**Registrar**"), by 11:00 a.m. (British Summer Time) on Wednesday, 28 June 2023 (or, if the AGM is adjourned, 48 hours (excluding non-working days) prior to the time of the adjourned meeting).

If you miss this deadline and wish to submit a new vote or amend an existing vote, you can only do so by attending the AGM in person and voting.

## Voting information for holders of ordinary shares and ADSs (cont'd)

### I already voted but have changed my mind – can I change my vote?

You can submit a new voting instruction at any time before the time and date above. If you wish to amend a paper form of proxy, you must do so in writing and sign your new form of proxy.

The voting instruction received last will be the one that is followed.

### I hold shares on behalf of several others – can I vote part of the holding separately?

You can appoint more than one proxy using a paper form provided it is in relation to different shares.

Corporate shareholders may either appoint one or more proxies using the paper form or via CREST, or alternatively appoint one or more corporate representatives in relation to different shares.

Multiple proxies and corporate representatives may all attend and speak at the AGM and may vote the shares that their respective appointments represent in different ways.

### I am a CREST member – can I use the CREST system to vote?

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)).

CREST ID number: 3RA50

CREST Personal Members or other CREST Sponsored Members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

### I have a power of attorney from a shareholder – how can I vote?

You can vote using the paper form of proxy only. You must ensure that the valid power of attorney and the form of proxy have been deposited with the Registrar, Computershare Investor Services at The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom, by 11:00 a.m. (British Summer Time) on Wednesday, 28 June 2023 (or, if the AGM is adjourned, 48 hours (excluding non-working days) prior to the time of the adjourned meeting).

## Voting information for holders of ordinary shares and ADSs (cont'd)

### Holders of ADSs

#### When is my voting entitlement fixed?

To vote at the AGM you must be a holder of ADSs at 5:00 p.m. (Eastern Daylight Time) on Thursday, 25 May 2023 (or 10:00 p.m. (British Summer Time) on the same day) (the “**ADS Record Date**”). Your voting entitlement will depend on the number of ADSs you hold at that time.

The holders of ADSs are entitled to one vote per ADS on all matters that are subject to shareholder vote.

#### How can I attend the AGM in person?

ADS holders cannot attend or vote at the AGM.

#### How can I vote the Ordinary Shares represented by my ADSs at the AGM?

If you are a registered holder of ADSs as of the ADS Record Date you will be able to instruct the depositary, Citibank, N.A. (the “**Depositary**”), to vote the Ordinary Shares represented by your ADSs on your behalf by completing and returning an ADS voting instruction card to the Depositary no later than the time and date specified in the ADS voting instruction card. The Depositary will send to registered holders of ADSs as of the ADS Record Date an ADS voting instruction card and an explanatory Depositary Notice. Please read the instructions carefully to ensure you have completed and signed the ADS voting instruction card correctly. Any alterations must be initialed.

If you are an ADS holder holding via a bank, broker or nominee, you would need to contact such said party to submit your vote through your bank, broker or nominee and complete the paperwork required by said party by their required deadlines.

#### By when do I have to submit my vote?

Paper voting instructions, including any amendments, must be received by the Depositary by 10:00 a.m. (Eastern Daylight Time) on Monday, 26 June 2023 (or 3:00 p.m. (British Summer Time) on the same day) in the manner and at the address specified in the ADS voting instruction card.

If your instructions are not received by the Depositary by the appointed times, then under the terms of the Deposit Agreement between the Company and the Depositary your ADSs may, under certain circumstances, be voted by a person designated by the Company.

#### I already voted but have changed my mind – can I change my vote?

You can submit a new ADS voting instruction card at any time during the ADS voting period. If you wish to amend the ADS voting instruction card you must do so in writing and sign your new ADS voting instruction card. The ADS voting instruction card received last by the Depositary prior to the expiration of the ADS voting period will be the one that is followed.

#### I hold my ADSs in street name – can I still vote?

You should contact your bank, broker or nominee for information on how to vote your ADSs.



## Other information (cont'd)

A copy of this notice and other information required by the Companies Act can be found at [www.autolus.com/investor-relations/agm](http://www.autolus.com/investor-relations/agm).

### Information rights

Under the Companies Act, there are a number of rights that may now be available to indirect investors of the Company, including the right to be nominated by the registered holder to receive general shareholder communications direct from the Company.

The rights of indirect investors who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act ("**nominated persons**") do not include the right to appoint a proxy. However, nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy.

Alternatively, if nominated persons do not have such a right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

If you have been so nominated to receive general shareholder communications direct from the Company, it is important to remember that your main contact in terms of your investment remains with the registered shareholder or custodian or broker, or whoever administers the investment on your behalf. You should also deal with them in relation to any rights that you may have under agreements with them to be appointed as a proxy and to attend, participate in, and vote at the AGM, as described above.

Any changes or queries relating to your personal details and holding (including any administration thereof) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee dealing with matters that are directed to us in error. The only exception to this is where the Company is exercising one of its powers under the Companies Act and writes to you directly for a response.

### Statements related to the audit

Members satisfying the thresholds in section 527 of the Companies Act can require the Company to publish a statement on its website setting out any matter relating to:

- the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; and
- any circumstances connected with an auditor of the Company ceasing to hold office since the last AGM, that the members propose to raise at the AGM.

The Company cannot require the members requesting the publication to pay its expenses in connection with the publication. The company must forward a copy of the statement to the auditors when it publishes the statement on the website. The business which may be dealt with at the AGM includes any such statement that the company has been required to publish on its website.

### Shareholder requisition rights

Members satisfying the thresholds in section 338 of the Companies Act can require the Company to give to members of the Company entitled to receive notice of the AGM, notice of a resolution which may properly be moved, and which those members intend to move, at the AGM, provided in each case that the requirements of that section are met and provided that

## Other information (cont'd)

the request is received by the company not later than six weeks before the AGM or if later the time at which notice is given of the AGM.

### Total voting rights and share capital

As at 31 May 2023 (the latest practicable date before the publication of this notice), the issued share capital of the Company was 173,691,066 ordinary shares.

## Other information (cont'd)

### Notes:

The following notes further explain your general rights as a shareholder and your right to attend and vote at the AGM or to appoint someone else to vote on your behalf. Shareholders are strongly encouraged to vote your shares by appointing the chair of the AGM as your proxy.

1. You can vote either:
  - 1.1. by logging on to [eproxyappointment.com](https://eproxyappointment.com) and following the instructions;
  - 1.2. you may request a hard copy form of proxy directly from the Registrar, Computershare Investor Services, on Tel: +44 370 703 6238. Calls cost 12 pence per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9:00 a.m. – 5:30 p.m. (British Summer Time), Monday to Friday excluding public holidays in England and Wales; or
  - 1.3. in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in notes 5-7 below.
2. The completed form of proxy, voting instruction via [eproxyappointment.com](https://eproxyappointment.com) or any CREST Proxy Instruction (as described in notes 5-7 below), as the case may be, must be received by Computershare Investor Services by 11:00 a.m. (British Summer Time) on Wednesday, 28 June 2023 (or, if the AGM is adjourned, 48 hours (excluding non-working days) prior to the time of the adjourned meeting).
3. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
4. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in notes 5-7 below) will not prevent a shareholder from attending the AGM and voting in person if he/she wishes to do so.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM (and any adjournment of the AGM) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](https://www.euroclear.com/site/public/EUI)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Computershare Investor Services (ID number 3RA50) by 11:00 a.m. (British Summer Time) on Wednesday, 28 June 2023 (or, if the AGM is adjourned, 48 hours (excluding non-working days) prior to the time of the adjourned meeting). For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
7. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.



## Other information (cont'd)

8. Any shareholder attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.
9. The Company shall make available for inspection any of the following documents in the usual course prior to and at the AGM:
  - 9.1. copies of the executive director's service contract; and
  - 9.2. copies of the letters of appointment of the non-executive directors.
10. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act) provided in either this notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this notice, and other information required by the Companies Act, can be found on the Company's website at [www.autolus.com](http://www.autolus.com).

## Contact details

### **Autolus Therapeutics plc**

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

Tel: +44 20 3829 6230

### **Registrar**

Computershare Investor Services plc  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZY  
United Kingdom

Shareholder helpline - for information relating to your ordinary shares, please contact the Registrar on +44 370 703 6238. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 9:00 a.m. – 5:30 p.m. (British Summer Time), Monday to Friday excluding public holidays.

### **ADS Depositary**

Citibank ADS Holder Services  
P.O. Box 43077  
Providence, Rhode Island 02940-3077  
USA

Tel: 1-877-CITI-ADR (toll free)  
Tel: 1-781-575-4555 (outside US)  
Fax 1-201-324-3284  
E-mail at: [Citibank@shareholders-online.com](mailto:Citibank@shareholders-online.com)

