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Arix Bioscience plc

Interim Results for the Six Months Ended 30 June 2020

LONDON, 8 September 2020: Arix Bioscience plc ("Arix", LSE: ARIX) a global venture capital company focused on investing in and building breakthrough biotech companies, today announces its interim results for the period ended 30 June 2020.

Financial highlights

- Net Asset Value of £251.0 million (December 2019: £202.1 million); 185p per share (December 2019: 149p); a 24% increase for the first six months of 2020
- Net positive portfolio revaluation of £51.7 million¹ in the period
- Gross Portfolio Value of £203.4 million (December 2019: £149.2 million)
- £11.6 million of capital deployed into the portfolio during the period
- £9.1 million of capital realised during the period
- Cash of £44.0 million (December 2019: £54.6 million)
- 20% IRR generated by the Gross Portfolio since inception in 2016

Operational and strategic progress:

- Significantly reduced net operating costs by over 35%, to an annual run rate of approximately £5.0m by the end of 2021, (down from £8.0m in 2019) which represents less than 2% of current NAV (down from 4.0% in 2019).
- Further strengthened the Arix platform with the establishment of a Scientific Advisory Board (SAB) comprised of leading researchers and industry executives dedicated to improving treatments for patients.
- Naseem Amin appointed as Executive Chairman, bringing over 29 years of experience in the life sciences industry. Former roles include: CSO at Smith & Nephew, VP of Business and Clinical Development at Biogen and Genzyme.
- Christian Schetter moved into a Managing Director role, bringing 22 years of operating experience to the senior team and a track record of building successful biotech companies through to product approval and/or acquisition by big pharma.
- Jonathan Tobin appointed to Managing Director, recognising his commitment and contribution to advancing great science through Arix's portfolio of innovative biotech companies.
- Further strengthened Arix senior team with the appointment of Noor Lalani to Public Investments Director, bringing over 15 years of capital markets and portfolio management expertise.

Portfolio highlights

- \$391.5 million of proceeds raised by Arix portfolio companies in the year to date
 - Imara raised gross proceeds of \$86.5 million in a Nasdaq IPO, in which Arix invested \$3.0 million (£2.4 million)
 - Quench Bio completed a \$35.0 million Series A financing, in which Arix committed \$6.0 million (£4.6 million)
 - Autolus completed an \$80.0 million follow-on financing from leading institutional investors
 - Amplyx completed a \$53.0 million Series C extension, from new investors Pfizer and Adage Capital
 - Post-period end, VelosBio completed a \$137.0 million Series B financing, in which Arix invested \$4.0 million (£3.2 million)

¹ Including FX

- Continued clinical progress in the portfolio:
 - Autolus (17% of NAV)** reported positive data from its AUTO1 programme in adult Acute Lymphoblastic Leukaemia (adult ALL) and transitioned this programme into a pivotal trial. The company also reported encouraging data from its AUTO3 programme in diffuse large B-cell lymphoma (DLBCL)
 - Imara (14% of NAV)** reported encouraging initial Phase 2a data from its IMR-687 clinical study for patients with sickle cell disease (SCD) and initiated Phase 2b trials in SCD and beta-thalassemia
 - Harpoon (12% of NAV)** reported positive interim Phase 1 data from its HPN424 programme in prostate cancer and announced the dosing of the first patient with HPN217 in a Phase 1/2 clinical trial focused on relapsed, refractory multiple myeloma (RRMM), which triggered a \$50 million milestone payment from AbbVie
 - Aura (4% of NAV)** presented further positive safety and efficacy data from the ongoing AU-011 Phase 1b/2 study for choroidal melanoma
 - Atox Bio (3% of NAV)** completed its Phase 3 pivotal study for necrotizing soft tissue infections (NSTI) and is preparing to submit a New Drug Application (NDA) in Q3 2020, following a meeting with the U.S. Food and Drug Administration (FDA)
 - Amplix (2% of NAV)** announced positive top line data following the completion of its Phase 2 clinical trial of fosmanogepix (APX001) as a first-line treatment for patients with invasive fungal infections caused by Candida. Additionally Amplix announced that the first patient has been dosed in its Phase 2 clinical trial evaluating the efficacy and safety of MAU868 for the treatment of BK viremia in kidney transplant recipients

Outlook - Key anticipated milestones

Data generated from our clinical pipeline will be a key driver of value and whilst clinical development is not without risk, and the recruitment of clinical trials globally has been impacted by the coronavirus pandemic, we have a number of portfolio companies approaching key milestones over the next 18 months. In particular, we note the following anticipated value-driving milestones across our portfolio:

- Autolus (17% of NAV)** expects to present long term follow up Phase 1 data from its AUTO1 programme in adult ALL by the end of 2020, with pivotal data expected in H2 2021 and approval targeted for 2022. Autolus also expects to report updated Phase 1 data from AUTO3 in DLBCL by the end of 2020 and over the next 18 months the company expects to transition multiple next generation programmes into the clinic.
- Imara (14% of NAV)** expects to announce updated results from its IMR-687 Phase 2a clinical study in sickle cell disease (SCD) by the end of 2020 and report interim Phase 2b data in SCD and beta-thalassemia in 2021.
- Harpoon (12% of NAV)** expects to present interim data from its HPN536 Phase 1/2a clinical trial for ovarian and pancreatic cancer and initiate the HPN328 Phase 1/2 clinical study in small cell lung cancer by the end of 2020.
- Artios (8% of NAV)** expects to file an Investigational New Drug (IND) application for its ATR inhibitor programme by the end of 2020, with Phase 1 initiation planned for H1 2021.
- LogicBio (8% of NAV)** expects to initiate a Phase 1/2 clinical study for LB-001 for the treatment of methylmalonic acidemia in the first half of 2021.
- Aura (4% of NAV)** expects to initiate a Phase 2 clinical trial evaluating suprachoroidal (SC) delivery of AU-011 in patients with choroidal melanoma, in the second half of 2020. Aura also expects to report Phase 2 data from the Phase 3 eligible patient cohort of its clinical trial evaluating intravitreal injection (IVT) administration of AU-011 in patients with choroidal melanoma in H1 2021.
- Atox Bio (3% of NAV)** expects to submit an NDA with the FDA by the end of 2020, for its NSTI drug reltecimod, under Accelerated Approval Pathway.
- Amplix (2% of NAV)** expects to report interim Phase 2 data in Candida auris and invasive aspergillosis by the end of 2020 and plans to initiate a Phase 3 trial in invasive candidiasis by the end of 2021.

Dr Naseem Amin, Executive Chairman of Arix Bioscience plc, commented:

"This has been a pivotal period for Arix and our companies. We have refocused and streamlined the business, significantly reducing costs in order to maximise returns for our shareholders. Over the period our portfolio

has continued to make strong progress, with a number of companies reaching important clinical milestones and completing additional financing rounds at higher valuations.

The COVID-19 pandemic has presented an unprecedented challenge to the healthcare sector and economies worldwide. During this time, we have been working closely with our portfolio companies to help support them through this disruption and minimise any impact to ongoing clinical trials and scientific research. We have been fortunate in seeing minimal delays to clinical trials across the portfolio, in part due to the acute setting that many of these companies operate in. We syndicate all our deals with top tier biotech venture capital firms, and as such our portfolio companies are well financed and well positioned to navigate through any potential delays as a result of the pandemic.

We enter the second half of 2020 with strong momentum in our portfolio and with multiple additional clinical data readouts expected. In addition to clinical milestones, there is potential for M&A, strategic partnerships and other financing events across the portfolio, which could significantly increase the value of our companies, and in turn our NAV. Whilst the development of important new medicines always carries risk, over the next three years we expect to see at least two additional IPOs across the portfolio and at least two exits. We are targeting an annual IRR of 15 to 25 per cent, generating a NAV of up to £500m by 2023. Through strong execution of our strategy we expect to generate significant returns for our investors over the medium to long term, through capital growth and the potential for distributions where returns exceed the capital needed for reinvestment. We have a highly seasoned leadership and ambitious team, supported by a high calibre Scientific Advisory Board and Board, and close relationships with pharmaceutical and academic partners. These give us a unique platform and competitive advantage to execute our strategy."

Conference Call and Presentation Information

The Arix interim results presentation is available to view on our investor relations website at: <https://arixbioscience.com/investor-relations/events-presentations>

The Arix management team will host a Q&A conference call today, 8 September, at 12:30 pm BST/ 7:30am EST, to answer questions on the interim financial results and operational progress. To access the live and subsequent replay of this webcast, please register [here](#).

The call may also be accessed by dialling +44 (0)330 336 9411 or +1 323-794-2597. Please reference confirmation code 8212826.

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About Arix Bioscience plc

Arix Bioscience plc is a global venture capital company focused on investing in and building breakthrough biotech companies around cutting edge advances in life sciences.

We collaborate with exceptional entrepreneurs and provide the capital, expertise and global networks to help accelerate their ideas into important new treatments for patients. As a listed company, we are able to bring this exciting growth phase of our industry to a broader range of investors. www.arixbioscience.com