Company Name: Oxford Biomedica plc (OXB.L)
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<<Analyst, Jefferies>>

Good morning and welcome to the Jefferies 2024 Global Healthcare Conference. It is my pleasure to now introduce Frank Mathias, CEO; and Lucy Crabtree, CFO at Oxford Biomedica. Just a reminder that this will be a 20 minute presentation with 5 minutes of Q&A. And for the Q&A portion, please speak into the handheld microphone that will be brought to you.

<<Frank Mathias, Chief Executive Officer>>

Good morning everyone. Thank you so much for the nice introduction and thank you for joining us today and for your interest in the company. So I will give you a short introduction to the company and our abilities as a pure-play, quality and innovation led CDMO and focused on the cell and gene sector. So, you know the disclaimer [which is] obligatory. So in order to better understand the full potential of the company, I believe it makes sense to look into the history of the company. And indeed we are a little bit unique as a CDMO with a strong history coming from the past. Let me just start here with the foundation, 1995, so the company is existing for about 30 years now. Originally, it was a company, where the idea was to develop products coming from the lentiviral technology for very serious diseases. We got GMP licence in 2006 and 2008. It was the first time in the world that a product with lentiviral [vectors] was used in patients; in 2012, then [was] the GMP MHRA approval of the Oxford site. This for me represents the product development phase of the company.

So what happened in 2014? In 2014, Novartis knocked on the door and came to us asking for our service and support to manufacture lentiviral vector here in this case for the first approved CAR T treatment. So other companies followed and then we were expanding our capacity in Oxbox by six suites. We did a very quick development during the pandemic of an adeno vaccine against corona. This has put us in a difficult situation as a hybrid company. So honestly, I strongly believe it's difficult to do two things under the same roof, being a product development and at the same time, a CDMO company. Why? Because the mindset is different, the skill sets you need are different, the systems are different, the processes are different.

So we were in a situation in 2020 where we were obliged to take a decision going right or going left. And we decided to choose for the CDMO option. In order to become a global company, we started to acquire a site in Bedford from Homology. Then we – by 2023 we already have produced more, manufactured more than 500 batches. And finally, beginning of this year, we decided to acquire other sites in France, so to say Continental Europe. This is now the phase in which we are, which we call the pure-play CDMO.

Now whatever sources you take, and there are a lot of sources available, they are also showing the same thing that the market of cell and gene therapy is supposed to grow, by at least 20% on average until 2029. So obviously OXB is currently in the right market at the right time. We will

see a big [growth], the biggest growth will probably come from AAV followed immediately by lentiviral vectors or adeno. And you see on the right hand side of the slide, the main drivers for this. First, the pipeline growth. We have more than 1,400 molecules currently in clinical trials around the world. The FDA is increasing the number of approvals. We saw last year seven approvals for cell and gene therapies from the FDA, already this year four. We expect additional three approvals, so coming up to seven again. But we have also the, I would say, macroeconomic drivers like the changing demographics. As we all know, the aging population. We have this paradigm shift because cell and gene therapy has the potential to cure very severe diseases. So again, I believe we are currently in the right market at the right time.

So the strategy was clear. We wanted to become a pure-play CDMO business. Now, it's easy to say that it's by far more difficult to implement it. And that's why we decided to put in place a very sound transformation process around the company with more than 20 work streams to provide us with long-term sustainable growth. And you see here on this slide a few of the strategic milestones, which we are following - like build a global network of sales, expand our viral vector offering because we want to be viral vector agnostic, develop best-in-class technologies. We want to be at the edge of innovation and we are probably there already. But we have also thought about the OXB culture. Again, I tell you this transformation is also cultural, transformation of the company. We have set global values, I will come back to that. And finally, we changed our visual identity recently, now as being OXB, instead of Oxford Biomedica.

I would like to come back to the values, vision and mission because I believe we all know how important the purpose of a company is, to mobilise, to attract, to retain talented people. So, we felt obliged to state our vision and mission more clearly as you can see here. I would say ingrained in our DNA of OXB is our mission to transform lives through cell and gene therapies. Our mission is to support our clients in developing their treatments. So we have also decided that we need adapted values [for] that. Again, to mobilise and attract the talent. And we decided for four R’s, we have Responsible, Responsive, Resilient and Respect. Why responsible? Because what we want is to help very sick patients. So we need to feel responsible for what we do. This is a serious business. We need to be responsive. Our clients expect us to be agile and quick in everything we do. And because we know that nothing is going always as simple, it means, we need to be resilient as an organisation. And finally, the non-negotiable respect to our employees, to each other, to our shareholders, to our patients, but also to the environment.

So as you can imagine, we have launched this a few weeks ago and this has been received very positively by our teams. So when I speak about teams, as a CEO you need to be supported by a strong team and I'm glad to have really a perfect team supporting us. We have a lot of experience because one of the first things we did when you transform to a CDMO, you have to bring CDMO experience [into] the company. So all the new recruitments here are coming from the CDMO business. Sabine Sydow is our Chief of Staff with more than 25 years of experience. Thierry Cournez is our Chief Operating Officer, 25 years at Merck Millipore. He joined us in November last year, as Sébastien did in November 2022, also more than 25 years of CDMO experience. And finally, Lucy, with me in the room today, who recently joined 1st of September from Autolus and MorphoSys. So we need this team to help us to transform the company.

So what can we offer now to our clients? And I believe this is a beautiful number of capabilities. We have more than 30 years of manufacturing experience. We have done more than 550 successfully manufactured batches, more than 50 programs, supported more than 30 INDs, all in cell and gene therapy. And I believe that the strength of our company is really to be focused on this sector. We have capabilities [and] end-to-end service from process development, analytic development until fill and finish. We have established platforms, we are vector agnostic as already said, and we have 15 GMP suites now in different geographies. And I believe this is also important to know that we can offer a lot of flexibility because we have facilities in UK where the company was founded.

We decided to go to U.S.. You cannot be a global company if you don't have a footprint in U.S. So we are now present in Bedford, near Boston. And finally on Continental Europe, important also due to Brexit, we have two facilities in Strasbourg and Lyon. In total 15 GMP suites, five fill and finish suites, we can do process development and analytic development in all the different sites. So, I believe this is a broad service we can offer to our clients.

So, now what does it mean in terms of results? And I have to say that the first results of the company are very encouraging. I would say even already impressive. You see here on the left hand side that we have an increase – a strong increase by about 100% of the non-risk adjusted pipeline. So these are all the opportunities we have currently. All the discussion and preparation of these with clients. If you look at this, this says September. So the data for September, just up to September 2024 compared to end of the year for the other years. So, we can even expect more for this year to come. This translates into risk adjusted pipeline of more than $200 million, which I believe, is also very healthy.

And I'm glad to report that currently we have more than 150 programmes in our pipeline. It's a risk adjusted pipeline and more than 50% are coming from existing clients. Obviously, our clients are happy with what we do.

The next slide shows also the progress we have made in terms of diversification of our pipeline. But also our pipeline is maturing with our clients. I believe this is very important for the future of our company. If you look at these slides we have now in [early]-stage in September 2024, 42 programs in our pipeline compared to 25 two years ago. So a nice progress. This gives us already visibility in terms of process and analytical development for next year that we will have at least 90% already of our capacity filled with this development.

We have now four projects in late-stage Phase 3. We hope that they will go to market, for sure. This is also compared to one in September 2022, a nice progress over the last two years. And we have two commercial agreements now in place. So, this gives us also in terms of GMP utilisation a nice visibility because we believe that we are already more than 80% booked for next year.

So, a question I get many times is why do we win as a company against our competitors? And I have to say probably the most important topic here is this strong track record. As you can see we have a strong track record in all the three platforms mentioned. We have 25 years of experience in GMP manufacturing. Also 10 years for the LentiVector® platform. We have eight years of experience for our AAV platform, more than 50 plus batches done, but also in adenovirus as we

have delivered more than 100 million doses of vaccine during the pandemic. So, this gives us a nice track record in the three vectors mentioned.

We are fast to GMP, about 12 months on average. Sometimes it's quicker, sometimes it takes a little bit more time but I would say on average GMP into, within 12 months.

Cutting edge innovation, TetraVecta™ is our fourth generation. We see a lot of demand for this innovation, because it allows us to improve significantly the quality of the vector, the potency but also the capacity of packaging. Dual-plasmid system in AAV, also recognised as being very strong in terms of titre. And we can offer a lot of regulatory support because we have a lot of experience with CMC dossier so we can support our clients also here.

So, this slide I would like to give to Lucy but she said I have to present it which I can do. It's what does it mean in terms of financials. So, we expect a strong growth over the next months and years to come. As you can see here, we started with about £90 million in 2023, we have guided this year for something between £126 million and £134 million, which means at the end between 40% to 50% growth in 2024 and we have guided for at least a CAGR of 35% between 2023 and 2026.

So, we have a strong trajectory here. We have guided also low double digit operating EBITDA [loss] for this year. We expect to be profitable on EBITDA basis next year and be above 20% EBITDA margin the year after.

So, all this is underpinned by the commercial momentum as I have shown. The shift towards a more mature pipeline and the right cost base. So all this gives me clear evidence that our strategy to become a pure play CDMO quality and innovation driven [in] the cell and gene sector is the right thing to do.

So let me finalise my presentation with a few take home messages. Firstly, we have a very highly experienced, highly energetic management team to support the strategy. We have a strong demand for our services and expertise which translates in order books which are nicely filled so far for next year and the year after. And this has allowed us to reiterate a strong, I would say, financial guidance of revenue increase for more than 35% on average over the next years and a nice development of our EBITDA.

Thank you so much for your attention.

<<Analyst, Jefferies>>

We'll move on to the Q&A portion. I'll bring the handheld microphone if you have any questions.

Q&A

<Q>: Can you talk about how important having a U.S. footprint has been in terms of growing the order book? And also what is the ability to increase capacity on that particular site or will you need somewhere on the West Coast at some point in the future?

<A – Frank Mathias>: So, I would say that being in the U.S. is a must. So, we were looking for facilities there and we have a nice one in Bedford, where we can offer currently all kind of process development, analytic development and also GMP if needed. Now we had a little bit pushback due to Homology with their clinical trials not working as expected. That's why we decided very quickly to transfer Lenti to U.S. Lenti can be operational by now there. It can by the way, also be in France.

So, we really want to be vector agnostic and this is certainly the right decision. We know, and even with the new government in U.S., we might expect that U.S. companies want to be served out of U.S. So, I would say it's the right thing to do currently.

In terms of our capacities, we have a lot of room available and suites available, so we can scale up in Oxford. We can also scale up very quickly in U.S. and in France. So, as we say, we probably have enough capacity available as much as we scale up in people and open new suites until 2027, 2028 despite this growth.

So, no real CapEx needs over the next few years from current perspective.

<Q>: Any more questions?

<Q>: No.

<<Analyst, Jefferies>>

Thank you.

<<Lucinda Crabtree, Chief Financial Officer>>

Thank you so much.