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<<Puneet Souda, Analyst, Leerink Partners>>

All right, great, we'll get started. I'm Puneet Souda. I cover life science tools and diagnostics and my pleasure to be hosting Lucy Crabtree, CFO from Oxford Biomedica.

Lucy, great to have you here.

<<Lucinda Crabtree, Chief Financial Officer>>

Thank you very much. Great to be here.

<<Puneet Souda, Analyst, Leerink Partners>>

For the folks in the audience who are not familiar with OXB, maybe can you talk a little bit about how the company has evolved over the last few years? Let's just start at that and we'll get into more details later.

<<Lucinda Crabtree, Chief Financial Officer>>

OXB is a company that's been around for nearly 30 years which has a very rich history and arguably an unmatched track record in vector manufacturing. The company started life as a product development company before moving towards a hybrid model. More laterally, the focus has really been one of a pure-play CDMO focused on viral vector manufacturing for cell and gene therapies. With that we have a very experienced leadership team that have unrivaled and incredibly experienced track record in the CDMO space. We're a business very much focused on growth.

<<Puneet Souda, Analyst, Leerink Partners>>

Tell me about the number of months you've been at the company and what's your take? Tell us a little bit more about the team.

<<Lucinda Crabtree, Chief Financial Officer>>

I've been at the company for just around six months now, so I am still relatively new into the business and I'm incredibly excited to be at OXB. It's a company that I've personally known for a long time. It's an ambitious company. We've got a relatively new management team that has evolved in the recent history. Frank Mathias, our CEO, has been with the business for a couple of years now. He is incredibly experienced in the CDMO space, having been the CEO of Rentschler prior to that, and very well versed with the immuno-oncology space, having been the CEO of Medigene. Sébastien Ribault, our Chief Business Officer, is incredibly experienced in the CDMO space from his background at Merck Life Science. Thierry Cournez, our Chief Operating Officer

also has 25 years plus experience in the CDMO space. Underneath them, we have our site heads and leadership team who are, again, incredibly experienced individuals with backgrounds across the CDMO space.

We are in a very good and strong position. I'm incredibly excited to be here. Obviously my first six months a lot of that is getting under the bonnet, getting to know the business incredibly well, understanding our processes and procedures and all of the internal operational aspects that you'd expect a CFO to do, which has been great fun and I'm really excited about the future.

<<Puneet Souda, Analyst, Leerink Partners>>

When you look at the CDMO market, obviously it's a competitive landscape. There have been pressures on the cell and gene therapy CDMO market as well. New entrants have expanded, but there is also potential restructuring or reduction in the overall number of companies that are out there. Give us a sense of how OXB fits in that market. Also, if you can comment on the market side, how is the demand dynamic?

<<Lucinda Crabtree, Chief Financial Officer>>

In general, the cell and gene therapy space is growing, all sources point to that; for the cell and gene therapy space as it relates to the CDMO business, we see sources that cite 20% growth to 2029. Of that, lenti and AAV are big aspects of that, in terms of the customer base, we have a well-balanced portfolio of clients across not just emerging biotech, but also established biotech and large pharma. Some of the metrics that you see point to the strength of the cell and gene therapy market in terms of the number of approvals. There were seven or so approvals by the FDA last year.

When we look across the pipeline of clinical trials and clinical studies, there was something like 1,400 molecules in the pipeline across the industry. It's a technology and it's a platform that serves patients. Patients with previously incurable diseases are now being treated with cell and gene therapies that have, in some instances, curative potential. We see an incredibly exciting and very beneficial market there for ultimately the benefit of patients.

<<Puneet Souda, Analyst, Leerink Partners>>

Talk to us about the time it takes to engage a client and from the initial engagement to then securing a contract. Again, given the sort of the market conditions has that lengthened? Has that shortened or increased?

<<Lucinda Crabtree, Chief Financial Officer>>

In general, it varies between client to client, project to project, and program to program. In certain geographies, for example, we cite certain clients in the U.S., it's been slightly quicker. In general, around the nine months mark from engagement to completion is a good metric.

<<Puneet Souda, Analyst, Leerink Partners>>

On the ABL side, can you update us on the integration timeline?

<<Lucinda Crabtree, Chief Financial Officer>>

We acquired ABL [Europe], that expands our geographical footprint and our vector modality footprint. Typically, these things take 12 months to 18 months to integrate, whether that's quality systems, work packages, etcetera. In general, the integration is going well and we'll see further fruits of the integration over the next 12 months.

<<Puneet Souda, Analyst, Leerink Partners>>

When I look at the capacity utilization, 2023 and 2024 have been tough years for a number of biotechs, so that implies that capacity utilization is low. In terms of needing, building out more capacity, is there a timeline for expansion of the capacity that you have. Can you comment on the capacity that you have already and how utilized is that?

<<Lucinda Crabtree, Chief Financial Officer>>

We have sufficient capacity in terms of footprint to last us until 2030. We've got the ability to scale up as is needed to meet demand. We're in a pretty good position from that perspective. We have 15 GMP suites across U.S., UK and France. I feel pretty good about our capacity and our footprint.

<<Puneet Souda, Analyst, Leerink Partners>>

In terms of the customer attritions, just given the biotech funding challenges throughout last year, last two years, and to some extents are still stabilizing, any shift in the overall attrition rates or from preclinical to Phase 2?

<<Lucinda Crabtree, Chief Financial Officer>>

It's not something we're seeing. We see well capitalized businesses across the market. There's always going to be an attrition rate but where there's solid data, things seem to progress. It talks to our diversified and balanced portfolio of clients across emerging biotech, established biotech and large pharma. A lot of our recent growth has come from the more established and large pharma end of the spectrum.

<<Puneet Souda, Analyst, Leerink Partners>>

What's driving that? The more growth from large pharma, is it just a function of that the biotechs are under pressure or do large pharma have more molecules to work with.

<<Lucinda Crabtree, Chief Financial Officer>>

Probably more the latter.

<<Puneet Souda, Analyst, Leerink Partners>>

Lenti is where traditionally OXB has been stronger, but just give us an overall sense of the AAV versus lenti demand that you're seeing in the market. Over the next one to two years, do you see one of the areas growing faster versus the others?

<<Lucinda Crabtree, Chief Financial Officer>>

We've had a long history with lentiviral manufacture and as we've spoken about, our ability and capabilities across the viral vector modalities has increased, particularly with the U.S. and the French acquisition. In terms of the market itself, there is a strong growth in the AAV space. I'd say that's the stronger growth driver and that's what the market seems to point to. The diversity of programs and the opportunities in AAV is exciting and strong.

<<Puneet Souda, Analyst, Leerink Partners>>

There's a view that [the] FDA has discussed a streamlined regulatory process for manufacturing improvement. There was a discussion with Peter Marks about that. So far, we're hearing that there's not a huge change, at least on the cell and gene therapy side, but FDA layoffs are making things a little bit uncertain. What we were seeing is manufacturing improvements would not require full BLA resubmission. That's what things were headed towards. How would such a change impact OXB's ability to provide more innovation, more service to the client, and enable a faster turnaround?

<<Lucinda Crabtree, Chief Financial Officer>>

Streamlining of regulatory processes is something that we would support and welcome. That's only going to be beneficial for patients and there is lots to be done there. Fundamentally, across a lot of these CAR T programs, the major difference is the transgene. As much as you can do to collate the data on the other kind of vector particles can help improve the efficiencies in terms of the path to regulatory approval, speed of review. Getting viable treatments to patients sooner and more expeditiously has got to be beneficial. It's got to be beneficial for the industry as well and we would support that.

<<Puneet Souda, Analyst, Leerink Partners>>

Just coming back to the lenti side, can you talk a little bit about what's been the evolution and improvement on the lenti side. Are there specific areas where you are investing more aggressively?

<<Lucinda Crabtree, Chief Financial Officer>>

We always keep a continued eye on innovation. Our Chief Innovation Officer has been with us almost since the outset of the company and has been behind much of the innovation. We've had technologies like TetraVecta, for example, that are interesting technologies for us. Our focus is really on the client centricity – solving problems for our clients and ensuring that we're developing

the right technologies to make the whole process smoother and more efficient. TetraVecta and anything that improves the titer and the yield and the productivity of these batches and the vector systems is beneficial and something that we keep a close eye on.

<<Puneet Souda, Analyst, Leerink Partners>>

A question from the tools side. You look at the bioprocessing equipment, there's a lot of discussion in terms of excess capacity on the market and again, somewhat underutilization, but there's more equipment ending up in the used market. Are you seeing that from your side?

<<Lucinda Crabtree, Chief Financial Officer>>

There is a glut of equipment where there's been overinvestment, in the COVID or the pandemic era, if you will. That provides opportunity as well in the sense of equipment being available, whether it's bioreactors, chromatography systems, fill-finish equipment. We keep an eye on these things and if there's a situation that creates competitive pricing we look strongly at it.

<<Puneet Souda, Analyst, Leerink Partners>>

Following that line of thought, there's a lot of discussion in the bioprocessing industry on destocking. What's your view on that? Do you think destocking is mostly through? Or is there room left to go? Destocking of consumables and things all the way from cartridges and filters to bags and bioreactors and things like that, not the hardware necessarily, the consumables' part.

<<Lucinda Crabtree, Chief Financial Officer>>

We are not seeing this impact our business at the moment. It's not something I have a strong view on.

<<Puneet Souda, Analyst, Leerink Partners>>

Touching on Biosecure, what's been the feedback from the customer side with the WuXi situation? Are you seeing a potential upside from that?

<<Lucinda Crabtree, Chief Financial Officer>>

It's not something that's impacting us. When we think about our client base and where we're competing for business, you've got to focus on our USP. Our USP is one of us being an agile, pure-play focused viral vector manufacturer. That agility and the responsiveness and the key attributes are what we really pride ourselves on. We're in a good position to compete for business.

Biosecure and WuXi, for example, isn't something that I see any kind of major impact on us at this stage. In terms of going back to our USP though, I think it's worth noting our differentiators, we're fast to Good Manufacturing Practices (GMP). We pride ourselves on our speed, our responsiveness, our strong track record. We've been manufacturing for some years now.

We've successfully delivered over 550 batches, GMP batches, 30 INDs, where we have a strong regulatory track record, that's something that we pride ourselves on. These are all things that, for us, are incredibly important differentiating factors. We focus on us, and we focus on our quality and our client centricity and we're less worried about the competitor base from that perspective.

<<Puneet Souda, Analyst, Leerink Partners>>

We had a couple of companies today talking about overall advancements in QA/QC technologies. A couple of companies that have established themselves in the market – in the small molecule stage. As you think about the need for QA/QC technologies, improving cost efficiency, regulatory compliance, talk to us from a CDMO perspective, what can you do and to what extent things you do that either helps the pharma or helps establish a standard that can be used more broadly?

<<Lucinda Crabtree, Chief Financial Officer>>

AI driven tools, automation, and anything else that brings an ability to improve QC/QA from an efficiency perspective is something that we look at all the time. If there's predictive tools that allow us to shorten timelines and provide ever improving services to our clients, then we're looking at that.

This is an area of importance and we have a long-term roadmap that involves, looking at these areas on an ongoing basis and ensuring that we stay ahead of the curve and do what we can. Ultimately this just goes back to our USP and what we really pride ourselves on. It's that quality of delivery for our clients, ensuring, speed, agility, and ultimately providing a good service.

<<Puneet Souda, Analyst, Leerink Partners>>

Thank you for the time, Lucy.

<<Lucinda Crabtree, Chief Financial Officer>>

Thank you very much.