

6 February 2025

Syncona Limited

Third Quarter Update

Continued focus on portfolio execution and delivering strong risk adjusted returns to shareholders

Syncona Ltd ("Syncona"), a leading life science investor focused on creating, building and scaling a portfolio of global leaders in life science, today issues its quarterly update covering the period from 01 October to 31 December 2024.

Financial performance

- Net assets of £1,124.4 million (30 September 2024: £1,144.6 million), 179.4p per share (30 September 2024: 178.9p per share), a NAV per share return of 0.3% in the quarter
- Life science portfolio valued at £779.6 million (30 September 2024: £791.9 million), a return of (0.7)% in the quarter, with performance predominantly driven by a decrease in Autolus' share price, partially offset by positive foreign exchange movements
- Over the nine months to 31 December 2024, NAV per share has returned (4.9)% with the life science portfolio generating a return of (9.5)%
- As previously announced, Syncona partially realised its holding in Autolus, at an average price of \$4.50
 - Generated proceeds of £6.6 million in the quarter taking total realised proceeds to £16.3 million
 - Syncona retains a 9.9% fully diluted ownership stake in Autolus
- Capital pool of £344.8 million at 31 December 2024 (30 September 2024: £352.7 million)

Rebalanced, maturing portfolio with robust fundamentals and strong execution in the quarter

- The Syncona Investment Management Limited (SIML) team are focused on executing on unlocking the substantial latent value that is built into the portfolio
- As expected, three key value inflection points with the potential to drive significant NAV growth over time have been delivered by our later stage companies in the quarter
 - Positive 24-month data from Beacon's Phase II SKYLINE trial
 - Encouraging three-month safety and efficacy data from Beacon's Phase II DAWN study
 - Spur published data from its Phase I/II trial in Gaucher disease which reinforces the potential of its FLT201 therapy. Further confirmatory data from the trial was released post-period end
- New clinical data published by iOnctura, showing early positive results which support the initiation of a Phase II trial in uveal melanoma for its lead asset roginolisib
- Post-period end Spur announced it had held a successful end-of-Phase II meeting with the FDA, supporting the upcoming initiation of the Phase III trial in Gaucher disease
- Our maturing portfolio expects to deliver two key value inflection points by the end of CY2025, with a further five expected before the end of CY2027

Disciplined capital allocation and deployment; a further £15.0 million allocated to share buybacks following the partial realisation of Autolus

- Reflecting successful financing rounds with external investors, capital deployment into the life science portfolio for this financial year is expected to be below or at the lower end of our guidance of £150.0 million to £200.0 million
- £90.0 million of capital deployed in the nine months to 31 December 2024, with no capital deployed into the strategic portfolio during the third quarter
- In the financial year to date £310.6 million has been raised across seven financings, including £175.5 million from leading external life science investors¹
- Following the partial realisation of Autolus, an additional £15.0 million was allocated to the share buyback in November 2024 taking total allocated to the share buyback to £75.0 million
 - £13.7 million shares repurchased in the share buyback during the quarter at an average 41% discount to NAV resulting in an accretion of 1.49p to NAV per share²

Melanie Gee, Chair of Syncona Limited, commented: “The Board remains frustrated by the share price performance and widening discount to NAV. The fundamentals of the portfolio are robust given the rebalancing to later stage companies and the number of recent financings supported by third party investors that externally validate the valuation of these portfolio companies. The Board is confident that the portfolio is well placed to deliver strong risk adjusted returns over time. Nonetheless given challenging broader market conditions and headwinds in the investment companies’ sector, the Board together with SIML will continue to review options to maximise value for shareholders over the medium term.”

Chris Hollowood, CEO of Syncona Investment Management Limited, added: “The volatility in the Autolus share price has continued to weigh on performance in the quarter, despite its FDA approval for AUCATZYL in November 2024.

There has been continued strong execution elsewhere in our maturing portfolio and we are pleased to see three key value inflection points delivered from Beacon and Spur. These de-risking events validate the progress of these companies towards delivering their future potential. We believe there is substantial latent value in the portfolio and with an improving macro environment for biotech, we are confident and excited by the value and impact we can deliver by the end of 2027.”

Milestones delivered in the quarter and post-period end:

Strategic life science portfolio company	Capital access milestones	Key value inflection points
Beacon		24-month data from its Phase II SKYLINE trial in XLRP Three-month data readout from the Phase II DAWN trial in XLRP
Spur	Select development candidate for GBA1 Parkinson’s disease programme	Data readout from its Phase I/II trial in Gaucher disease

¹ Includes additional EUR 6.0 million (£5.0 million) commitment during the period from XGEN to iOnctura’s Series B financing

² Since the period end, as of 5 February 2025, a further £3.9 million of shares have been bought back at an average discount of 46.0%

	Additional data readout from its Phase I/II trial in Gaucher disease (post-period end)	
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Upcoming capital access milestones and potential key value inflection points

As Syncona builds and scales its portfolio, there are opportunities to deliver milestones that primarily drive access to capital (capital access milestones), and milestones that have the potential to drive significant NAV growth (key value inflection points)³.

- Seven key value inflection points expected by the end of CY2027, including two expected before the end of CY2025. These have the potential to drive significant NAV growth. Syncona is funded to deliver on all of the portfolio's key value inflection points
- Nine capital access milestones across the portfolio expected by the end of CY2026, with seven expected by the end of CY2025
- These capital access milestones and key value inflection points are not without risk

Strategic life science portfolio company	Next expected capital access milestones	Syncona team view of expected key value inflection points
On the market		
Autolus	H1 CY2025 - Initial data from Phase I trial in SLE ⁴	CY2025 - Commercial traction following US launch of AUCATZYL [®] (obe-cel), after FDA approval
Moving towards being on the market		
Beacon	H1 CY2025 (new) - Six-month data readout from the Phase II DAWN trial in XLRP	CY2026 - Data readout from its Phase II/III pivotal VISTA trial in XLRP
Moving towards publishing definitive data		
iOnctura	H1 CY2025 (delayed from H2 CY2024) - Initiation of Phase II trial in uveal melanoma	CY2026 - Data readout from its Phase II trial in uveal melanoma
Spur	H1 CY2025 - Initial safety readout in higher dose cohort from	CY2027 - Completion of the pivotal stage of its

³ Definitions of capital access milestones and key value inflection points can be found in the notes section

⁴ Most recent public guidance

	<p>its Phase I/II trial in AMN</p> <p>H2 CY2025</p> <ul style="list-style-type: none"> - Initiation of Phase III trial in Gaucher disease <p>CY2026 (new)</p> <ul style="list-style-type: none"> - Initiation of Phase I/II trial in Parkinson's disease 	Phase III trial in Gaucher disease
Resolution	<p>H1 CY2025 (delayed from H2 CY2024)</p> <ul style="list-style-type: none"> - Initiation of Phase I/II trial in end-stage liver disease 	<p>CY2026</p> <ul style="list-style-type: none"> - Data readout from its Phase I/II trial in end-stage liver disease
Moving towards publishing emerging efficacy data		
Quell		<p>CY2025</p> <ul style="list-style-type: none"> - Data readout from its Phase I/II trial in liver transplantation
Anaveon		<p>CY2026</p> <ul style="list-style-type: none"> - Data readout from its Phase I/II trial of ANV600
Purespring	<p>CY2026</p> <ul style="list-style-type: none"> - Initiation of Phase I/II trial in complement-mediated kidney disease 	
OMass	<p>H2 CY2025 (updated from CY2026)</p> <ul style="list-style-type: none"> - Initiation of Phase I trial of its MC2 programme 	

Life science portfolio valuations⁵

	30 Sep 2024	Net investment in	Valuation change	FX movement	31 Dec 2024	% of Group NAV	Valuation Basis ^{6, 7, 8}	Fully diluted owner-	Focus area
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⁵ Portfolio valuations reflect Syncona's total interest in a company or investment

⁶ Primary input to fair value of equity holding

⁷ The basis of valuation is stated to be "Cost", this means the primary input to fair value is capital invested (cost) which is then calibrated in accordance with our Valuation Policy

⁸ The basis of valuation is stated to be "PRI", this means the primary input to fair value is price of recent investment which is then calibrated in accordance with our Valuation Policy

		the period						ship stake ⁹	
	(£m)	(£m)	(£m)	(£m)	(£m)			(%)	
Strategic portfolio companies									
On the market									
Autolus	83.4	(6.6)	(27.4)	4.7	54.1	4.8	Quoted	9.9	Cell therapy
Late-stage clinical									
Beacon	113.0	-	0.4	7.8	121.2	10.8	PRI	41.5	Gene therapy
Clinical									
Spur	157.5	-	0.8	-	158.3	14.1	Cost	82.9	Gene therapy
Quell	80.0	-	-	5.5	85.5	7.6	PRI	33.7	Cell therapy
Anaveon	35.9	-	-	(0.1)	35.8	3.2	PRI	36.9	Biologics
iOnctura	25.0	-	-	(0.2)	24.8	2.2	PRI	21.9	Small molecules
Pre-clinical									
Resolution	63.6	-	-	-	63.6	5.6	Cost	82.6	Cell therapy
Purespring	51.2	-	-	-	51.2	4.6	PRI	38.1	Gene therapy
OMass	49.7	-	-	-	49.7	4.4	PRI	28.9	Small molecules
Kesmalea	20.0	-	-	-	20.0	1.8	Cost	59.7	Small molecules
Yellowstone	16.5	-	-	-	16.5	1.5	Cost	60.9	Biologics
Mosaic	15.0	-	-	-	15.0	1.3	Cost	76.6	Small molecules
Forcefield	10.6	-	-	-	10.6	0.9	PRI	62.6	Biologics

⁹ Percentage holding reflects Syncona's ownership stake at the point full current commitments are invested

Slingshot	5.6	-	-	-	5.6	0.5	Cost	100.0	Accelerator
Portfolio milestone payments									
Neogene milestone payment	4.1	-	0.1	0.4	4.6	0.4	DCF		Cell therapy
Clade milestone payment	0.7	-	-	-	0.7	0.1	DCF		Cell therapy
Syncona investments									
CRT Pioneer Fund	33.1	-	-	-	33.1	2.9	Adj Third Party	64.1	Oncology
Biomodal	17.0	0.0	0.0	1.2	18.2	1.6	PRI	5.5	Epigenetics
Achilles	8.5	0.0	1.5	0.1	10.1	0.9	Quoted	22.7	Cell therapy
Century ¹⁰	1.5	0.0	(0.6)	0.1	1.0	0.1	Quoted	1.4	Cell therapy
Total Life Science Portfolio	791.9	(6.6)	(25.2)	19.5	779.6	69.3			
Capital pool	352.7	(15.6)	2.4	5.3	344.8	30.7			
TOTAL	1,144.6				1,124.4	100.0			

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About Syncona

Syncona's purpose is to invest to extend and enhance human life. We do this by creating, building and scaling companies to deliver transformational treatments to patients in areas of high unmet need.

¹⁰ Syncona received shares in Century as part of the agreement to acquire Clade

We aim to build and maintain a diversified portfolio of 20-25 globally leading life science businesses, across development stage, modality and therapeutic area, for the benefit of all our stakeholders. We focus on developing treatments that deliver patient impact by working in close partnership with world-class academic founders and experienced management teams. Our balance sheet underpins our strategy, enabling us to take a long-term view as we look to improve the lives of patients with no or poor treatment options, build sustainable life science companies and deliver strong risk-adjusted returns to shareholders.

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

Syncona Limited seeks to achieve returns over the long term. Investors should seek to ensure they understand the risks and opportunities of an investment in Syncona Limited, including the information in our published documentation, before investing.

Notes

About Key Value Inflection Points

A key value inflection point is a material de-risking event for a portfolio company that has the potential to drive significant NAV growth for Syncona, for example by increasing the possibility of a realisation event, such as M&A. These milestones can also enable companies to access significant capital including through financings and IPOs, which may take place at valuation uplifts and underpin progression to a subsequent key value inflection point which has the potential to drive greater value. M&A or capital access is unlikely to occur immediately following a key value inflection point.

About Capital Access Milestones

A capital access milestone is a de-risking event for a portfolio company that is expected to enable access to capital, which underpins progression towards a company's next milestone. It is less likely that a capital access milestone will drive significant NAV growth for Syncona, for example by increasing the possibility of a realisation event, such as M&A.