



Vaxxinity Reports Third Quarter 2021 Financial Results and Provides Corporate Updates

December 23, 2021

DALLAS, Dec. 23, 2021 (GLOBE NEWSWIRE) -- Vaxxinity, Inc. (Nasdaq: VAXX), a U.S. company pioneering the development of a new class of immunotherapeutic vaccines, today reported financial results for the third quarter ended September 30, 2021.

"The completion of our recent initial public offering is an important milestone in Vaxxinity's mission to democratize health," said Mei Mei Hu, CEO of Vaxxinity. "With the goal to disrupt the existing antibody therapy paradigm and improve the quality of chronic disease treatments while increasing their convenience and meaningfully lowering their cost, we believe we have the opportunity to profoundly impact the lives of countless patients across the globe. The funds raised in our recent IPO are critical to advancing our potentially transformative vaccine candidates toward approval."

Recent Pipeline Developments

- **UB-311** targets toxic forms of aggregated amyloid- β in the brain to fight Alzheimer's disease (AD). Phase 1, Phase 2a and Phase 2a Long Term Extension trials have shown UB-311 to be well tolerated in mild-to-moderate AD patients over three years of repeat dosing, with a safety profile comparable to placebo, and immunogenic, with a high responder rate and antibodies that bind to the desired target. We currently expect to initiate the Phase 2b portion of the study in the second half of 2022.
- **UB-312** targets toxic forms of aggregated α -synuclein in the brain to fight Parkinson's disease (PD) and other synucleinopathies, such as dementia with Lewy Body and multiple system atrophy. Part A of a Phase 1 trial has shown UB-312 to be well tolerated in healthy volunteers, with no significant safety findings or serious adverse events, and immunogenic, with a high responder rate and antibodies that cross the blood-brain barrier. We have initiated enrollment of Parkinson's patients for Part B of the Phase 1 trial; however, due to the requirement of booster shots against COVID-19 before participating in the clinical trial, initial dosing is now expected to occur in Q1 2022.
- **UB-313** targets calcitonin gene-related peptide to fight migraines. Investigational new drug application (IND)-enabling studies are ongoing and we anticipate submitting a clinical trial application ("CTA") or an IND in 2022.
- **UB-612** employs a "multitope" approach to neutralizing the SARS-CoV-2 virus. Phase 1 and Phase 2 trials of UB-612 have shown UB-612 to be well tolerated with no significant safety findings to date, while observing UB-612 generated antibodies that can bind to the S1-RBD protein and neutralize SARS-CoV-2, in addition to driving a T-lymphocyte response. Following immunogenicity data from Phase 1 trial subjects who received two prime doses plus one booster dose of UB-612, we are exploring paths for authorization for UB-612 as a heterologous boost and a three-dose regimen.
- **Our anti-PCSK9 vaccine candidate** will target hypercholesterolemia to reduce the risk of cardiac events. We plan to select a lead candidate and initiate IND-enabling studies in 2022.

Recent Corporate Updates

Completed Initial Public Offering (IPO). On November 15, 2021, the Company closed its IPO of Class A common stock at a public offering price of \$13.00 per share. Including shares issued pursuant to the exercise of the underwriters' option, the Company issued 6,537,711 shares of Class A common stock, and received aggregate proceeds, net of underwriting discounts and commissions and other offering expenses, of approximately \$71.1 million. Vaxxinity's class A common stock began trading on The Nasdaq Global Market on November 11, 2021, under the ticker symbol "VAXX."

Third Quarter 2021 Financial Results

As of September 30, 2021, cash and cash equivalents were \$89.4 million. Research and development (R&D) expenses for the three months ended September 30, 2021 were \$23.6 million, compared with \$7.8 million for the three months ended September 30, 2020. The \$15.8 million increase consisted primarily of an increase of \$12.7 million related to our UB-612 clinical trial in Taiwan (primarily consisting of materials and manufacturing costs as well as increases in CRO costs), increased personnel costs of approximately \$1.8 million, and increased UB-311 costs (primarily production related) of approximately \$0.9 million.

General and administrative expenses for the three months ended September 30, 2021 were \$6.7 million, compared with \$5.1 million for the three months ended September 30, 2020. The \$1.6 million increase was related to our continued organizational growth to support our ramp-up in research and development efforts, as well as increased costs for preparations for being a public company.

Net loss for the three months ended September 30, 2021 was \$30.4 million, compared with \$16.5 million for the three months ended September 30, 2020.

About Vaxxinity

Vaxxinity, Inc. is purpose-driven biotechnology company committed to democratizing healthcare across the globe. The company is pioneering a new class of synthetic, peptide-based immunotherapeutic vaccines aimed at disrupting the existing treatment paradigm for chronic disease, increasingly

dominated by monoclonal antibodies, which suffer from prohibitive costs and cumbersome administration. The company's proprietary technology platform has enabled the innovation of novel pipeline candidates designed to bring the efficiency of vaccines to the treatment of chronic diseases, including Alzheimer's, Parkinson's, migraine, and hypercholesterolemia. The technology is also implemented as part of a COVID-19 vaccine program. Vaxxinity has optimized its pipeline to achieve a potentially historic, global impact on human health.

Forward-looking Statement

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The use of certain words, including "believe," "may," "continue," "advancing," and "will" and similar expressions, are intended to identify forward-looking statements. These forward-looking statements involve substantial risks and uncertainties, including statements that are based on the current expectations and assumptions of Vaxxinity's management about the development of a new class of immunotherapeutic vaccines and the innovation and efficacy of Vaxxinity's product candidates. Various important factors could cause actual results or events to differ materially from those that may be expressed or implied by our forward-looking statements. Additional important factors to be considered in connection with forward-looking statements are described in the "Risk Factors" section of the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on December 23, 2021. The forward-looking statements are made as of this date and Vaxxinity does not undertake any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

VAXXINITY, INC.
Statement of Operations
(In Thousands)

	Three Months Ended September 30,		Nine months ended September 30,	
	2020	2021	2020	2021
Revenue	\$ 117	\$ 50	\$ 557	\$ 67
Cost of revenue	(178)	9	52	1,937
Gross profit/loss	295	41	505	(1,870)
Operating expenses:				
Research and development	7,867	23,616	12,109	54,221
General and administrative	5,122	6,700	9,453	21,130
Total operating expenses	12,989	30,316	21,562	75,351
Loss from operations	(12,694)	(30,275)	(21,057)	(77,221)
Other expense:				
Interest expense, net	331	109	737	493
Change in fair value of convertible notes	2,786		4,781	2,667
Change in fair value of warrant liability				214
Change in fair value of simple agreements for future equity	615		615	8,365
Foreign currency loss, net	39	5	48	24
Other expense, net	3,771	114	6,181	11,763
Loss before income taxes	(16,465)	(30,389)	(27,238)	(88,984)
Provision for income taxes				
Net loss	\$ (16,465)	\$ (30,389)	\$ (27,238)	\$ (88,984)
Net loss per share, basic and diluted	(0.24)	(0.44)	(0.47)	(1.30)
Weighted average common shares outstanding, basic and diluted	68,138,651	68,728,509	58,154,956	68,667,682

VAXXINITY, INC.
Selected Balance Sheet Data
(In Thousands)

	December 31, 2020	September 30, 2021
Cash and cash equivalents	\$ 31,143	\$ 89,375
Total assets	50,141	134,916
Total liabilities	75,041	41,286
Total stockholders' equity	(24,900)	93,630

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