Vaxxinity Reports First Quarter 2022 Financial Results and Provides Corporate Updates

May 9, 2022

DALLAS, May 09, 2022 (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 first quarter ended March 31, 2022.

"Vaxxinity has laid the groundwork to have multiple shots on goal this year after a productive and exciting start to 2022. The FDA granted Fast Track designation to our Alzheimer's vaccine candidate and we completed enrollment for our Parkinson's vaccine candidate with initial data expected in the second half of this year. We also initiated enrollment in our global pivotal Phase 3 trial of UB-612 for prevention of COVID-19 with the support of a CEPI grant," said Mei Mei Hu, CEO of Vaxxinity. "As we pursue our mission to democratize health and bring transformative medicines to all patients in need, we look forward to initiating our first-in-human trial of our migraine vaccine candidate and reporting proof-of-concept data in non-human primates for our LDL cholesterol-lowering vaccine."

First Quarter 2022 and Recent Updates

UB-311 receives FDA Fast Track Designation for Alzheimer's Disease

- FDA's determination that UB-311 could potentially address a serious unmet medical need was based on both preclinical data and clinical data in Alzheimer's patients
- This designation will facilitate the development and expedite the review of UB-311

UB-312 targets toxic forms of aggregated α-synuclein in the brain to fight Parkinson's disease (PD) and other synucleinopathies.

- As of April 2022, the Part B arm of the ongoing, double-blinded, placebo-controlled Phase 1 trial of UB-312 in Parkinson's disease has fully enrolled. The Company expects to complete an end-of-treatment analysis of Part B in the second half of 2022.
- The results from Part A of the Phase 1 trial in healthy volunteers were published in *Movement Disorders* in April 2022.

UB-612 employs a unique "multitope" approach to neutralizing the ancestral SARS-CoV-2 virus and its variants.

- In March 2022, we began dosing patients in our Phase 3 heterologous boost study of UB-612 designed to demonstrate the potential for UB-612 to boost immunity against COVID-19 in subjects who have received primary immunization from mRNA, adenovirus vector, or inactivated viral vaccines. This head-to-head trial is designed to demonstrate noninferior neutralizing antibody titers, comparing UB-612 to each of the three individual respective platform vaccines. The Company expects a topline readout in the second half of 2022, and if successful, these data will support global marketing authorization applications.
- In April 2022, we announced the co-funding of the Phase 3 heterologous boost study with the Coalition for Epidemic Preparedness Innovations (CEPI), providing up to $9.25m in funding.

First Quarter 2022 Financial Results

As of March 31, 2022, cash and cash equivalents were $124.8 million, as compared to $144.9 million on December 31, 2021.

Research and development (R&D) expenses for the three months ended March 31, 2022 were $11.5 million compared to $11.7 million for the three months ended March 31, 2021. A decrease of $6.0 million related to our UB-612 COVID vaccine program was partially offset by a $2.4 million increase in program-specific spend in our other chronic disease programs, including our Parkinson's, migraine, and hypercholesterolemia programs, and a non-program increase of $3.1 million in personnel costs (including stock-based compensation) as we added team members to advance our pipeline.

General and administrative (G&A) expenses for the three months ended March 31, 2022 were $6.7 million compared to $8.6 million for the three months ended March 31, 2021. The $1.9 million decrease was primarily due to decreases in professional services and other expenses of $1.2 million related to our March 2021 Reorganization, and decreases of $2.0 million in stock-based compensation and recruiting expenses, partially offset by increased audit, compliance and insurance costs of $1.3M related to being a public company.

Net loss for the three months ended March 31, 2022 was $18.3 million or $0.15 per share compared to $32.0 million or $0.47 per share for the three months ended March 31, 2021.

About Vaxxinity

Vaxxinity, Inc. is a 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.

For more information about Vaxxinity, Inc., visit http://www.vaxxinity.com and follow us on social media @vaxxinity.

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 "expect," "potential," "may," "continue," "looking forward," 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, as highlighted in the "Special Note Regarding Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Vaxxinity's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (SEC) on May 9, 2022 and described in further detail under the "Risk Factors" section of Vaxxinity's Annual Report on Form 10-K filed with the SEC on March 24, 2022. 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 March 31,	
	2021	**2022**
Revenue	$ 17	$ 0
Cost of revenue	1	0
Gross (loss) profit	16	0
Operating expenses:		
Research and development	11,688	11,478
General and administrative	8,584	6,686
Total operating expenses	20,272	18,164
Loss from operations	(20,256)	(18,164)
Other (income) expense:		
Interest expense, net	511	100
Change in fair value of convertible notes	2,667	0
Change in fair value of simple agreement for future equity	8,365	0
Change in fair value of warrant liability	214	0
Foreign currency loss, net	8	(1)
Other (income) expense	11,765	99
Loss before income taxes	(32,021)	(18,263)
Provision for income taxes	0	0
Net loss	$ (32,021)	$ (18,263)
Net loss per share, basic and diluted	(0.47)	(0.15)
Weighted average common shares outstanding, basic and diluted	68,550,993	125,709,613

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

	December 31, 2021	March 31 2022
Cash and cash equivalents	$ 144,885	$ 124,766
Total assets	166,673	147,528
Total liabilities	38,054	34,873
Total stockholder's equity (deficit)	128,619	112,655

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