



Cue Biopharma Reports Second Quarter 2023 Financial Results and Recent Business Highlights

August 9, 2023

BOSTON, Aug. 09, 2023 (GLOBE NEWSWIRE) -- [Cue Biopharma, Inc.](#) (Nasdaq: CUE), a clinical-stage biopharmaceutical company developing a novel class of injectable biologics to selectively engage and modulate disease-specific T cells directly within the patient's body, provided a business and financial update for the second quarter 2023.

Recent Business Highlights

- Presented positive data update from ongoing Phase 1 trials of CUE-101 for recurrent/metastatic HPV+ head and neck squamous cell carcinoma at the 2023 American Society of Clinical Oncology (ASCO) Annual Meeting held in June.
- Initiated enrollment of the highest dose cohort in CUE-102 Phase 1 monotherapy dose escalation trial focused on Wilms' Tumor 1 (WT1)-positive recurrent/metastatic gastric, pancreatic, ovarian and colorectal cancers.

"Our second quarter accomplishments have positioned us well as we continued to observe both increased durability and depth of ongoing clinical responses from the CUE-101 combination trial with pembrolizumab (KEYTRUDA®), which we believe aligns well with our proposed mechanism of action," said Daniel Passeri, chief executive officer of Cue Biopharma. "Importantly, the clinical data to date and proposed mechanism of action from CUE-101, further supports the encouraging observations in our ongoing CUE-102 Phase 1 monotherapy dose escalation trial. Among key accomplishments in the quarter was the ASCO presentation of CUE-101 demonstrating that CUE-101 appears to enhance the clinical activity of PD-1 blockade, particularly in patients with low PD-L1 expression in the tumor, as evidenced by CPS scores less than 20. CUE-101's maturing clinical profile from the ongoing trials, combined with emerging data from our CUE-102 monotherapy dose escalation trial, both of which will be reported upon at the upcoming Society for Immunotherapy of Cancer's (SITC) conference in November 2023, provides us with a range of potential corporate development opportunities and further supports the potential of our platform for translating the body's natural signals (or Nature's Cues) into protein therapeutics to realize the full potential of selective modulation of disease specific T cells."

Second Quarter 2023 Financial Results

The Company reported collaboration revenue of approximately \$1.4 million and \$26,000 for the three months ended June 30, 2023 and 2022, respectively. Revenue in the second quarter of 2023 was primarily due to work related to the recent collaboration and option agreement with Ono Pharmaceutical Co., Ltd.

Research and development expenses were \$10.7 million and \$9.6 million for the three months ended June 30, 2023 and 2022, respectively. The increase was due to higher laboratory and drug substance manufacturing costs in the second quarter of 2023 as compared to the same period in 2022.

General and administrative expenses were \$4.3 million and \$3.8 million for the three months ended June 30, 2023 and 2022, respectively. This increase was due primarily to higher professional and consulting fees in the second quarter of 2023 as compared to the same period in 2022.

The Company reported collaboration revenue of approximately \$1.6 million and \$1.0 million for the six months ended June 30, 2023 and 2022, respectively. Revenue for the six months ended June 30, 2023 was primarily due to work related to the recent collaboration and option agreement with Ono Pharmaceutical Co., Ltd.

Research and development expenses were \$20.0 million and \$19.7 million for the six months ended June 30, 2023 and 2022, respectively. This increase was primarily due to increased clinical costs in 2023 related to the CUE-102 Phase 1 monotherapy dose escalation trial which began enrolling patients in the second half of 2022.

General and administrative expenses were \$8.4 and \$8.9 million for the six months ended June 30, 2023 and 2022, respectively. This decrease was primarily due to a decrease in rent and operational expenses related to the move of our corporate offices.

As of June 30, 2023, the Company had approximately \$57.9 million in cash, cash equivalents and marketable securities compared with \$66.1 million as of June 30, 2022. We expect our current cash, cash equivalents, and marketable securities to fund operations through the third quarter of 2024.

Cue Biopharma, Inc.
Selected Consolidated Statement of Operations and Other Comprehensive Loss Data
(In thousands, except share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Collaboration revenue	\$ 1,382	\$ 26	\$ 1,570	\$ 1,026
Operating expenses:				
General and administrative	4,249	3,782	8,425	8,938
Research and development	10,650	9,592	20,041	19,675
Gain on right-of-use asset termination	-	(258)	-	(258)
Total operating expenses	14,899	13,116	28,466	28,355
Loss from operations	(13,517)	(13,090)	(26,896)	(27,329)
Other income (expense):				
Interest income	564	88	1,056	96
Interest expense	(232)	(206)	(454)	(230)
Total other income (expense)	332	(118)	602	(134)
Net loss	\$ (13,185)	\$ (13,208)	\$ (26,294)	\$ (27,463)
Unrealized gain from available-for-sale securities	34	-	91	-
Comprehensive loss	\$ (13,151)	\$ (13,208)	\$ (26,203)	\$ (27,463)
Net loss per common share – basic and diluted	\$ (0.29)	\$ (0.37)	\$ (0.59)	\$ (0.81)
Weighted average common shares outstanding – basic and diluted	44,798,760	35,357,343	44,725,875	34,005,410

Cue Biopharma, Inc.
Selected Consolidated Balance Sheet Data
(In thousands)

	June 30, 2023	June 30, 2022
Cash and cash equivalents	\$ 52,901	\$ 66,126
Marketable securities	4,988	-
Total current assets	60,935	69,004
Working capital	44,628	60,681
Total assets	73,163	84,749
Total stockholders' equity	46,004	59,756

About Cue Biopharma

Cue Biopharma, a clinical-stage biopharmaceutical company, is developing a novel class of injectable biologics to selectively engage and modulate disease-specific T cells directly within the patient's body. The company's proprietary platform, Immuno-STAT™ (*Selective Targeting and Alteration of T cells*) and biologics are designed to harness the body's intrinsic immune system as T cell engagers without the need for ex vivo manipulation or broad systemic immune modulation.

Headquartered in Boston, Massachusetts, we are led by an experienced management team and independent Board of Directors with deep expertise in immunology and immuno-oncology as well as the design and clinical development of protein biologics.

For more information please visit www.cuebiopharma.com and follow us on Twitter at <https://twitter.com/CueBiopharma>.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are intended to be covered by the safe harbor created by those sections. Such forward-looking statements include, but are not limited to, those regarding: the company's plans to present data from its ongoing CUE-101 and CUE 102 clinical trials; the company's belief that the Immuno-STAT platform stimulates targeted immune modulation through the selective engagement of disease-relevant T cells; the company's business strategies, plans and prospects, including potential corporate development opportunities; and the cash runway of the company and the sufficiency of the company's cash, cash equivalents, and marketable securities to fund its operations. Forward-looking statements, which are based on certain assumptions and describe the company's future plans, strategies and expectations, can generally be identified by the use of forward-looking terms such as "believe," "expect," "may," "will," "should," "would," "could," "seek," "intend," "plan," "goal," "project," "estimate," "anticipate," "strategy," "future," "likely" or other comparable terms, although not all forward-looking statements contain these identifying words. All statements other than statements of historical facts included in this press release regarding the company's strategies, prospects, financial condition, operations, costs, plans and objectives are forward-looking statements. Important factors that could cause the company's actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the company's limited operating history, limited cash and a history of losses; the company's ability to achieve profitability; potential setbacks in the company's research and development efforts including negative or inconclusive results from its preclinical studies or the company's ability to replicate in later clinical trials positive results found in preclinical studies and early-stage clinical trials of its product candidates, its ability to secure required U.S. Food and Drug Administration ("FDA") or other governmental approvals for its product candidates and the breadth of any approved indication; adverse effects caused by public health pandemics, including the recent COVID-19 pandemic, including possible effects on the company's trials; negative or inconclusive results from the company's clinical trials or preclinical studies or serious and unexpected drug-related side effects or other safety issues experienced

by participants in clinical trials; delays and changes in regulatory requirements, policy and guidelines including potential delays in submitting required regulatory applications to the FDA; the company's reliance on licensors, collaborators, contract research organizations, suppliers and other business partners; the company's ability to obtain adequate financing to fund its business operations in the future; operations and clinical the company's ability to maintain and enforce necessary patent and other intellectual property protection; competitive factors; general economic and market conditions and the other risks and uncertainties described in the Risk Factors and in Management's Discussion and Analysis of Financial Condition and Results of Operations sections of the company's most recently filed Annual Report on Form 10-K and any subsequently filed Quarterly Report(s) on Form 10-Q. Any forward-looking statement made by the company in this press release is based only on information currently available to the company and speaks only as of the date on which it is made. The company undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

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