



CARGO Therapeutics Announces \$110.0 Million Private Placement Equity Financing

May 28, 2024

– Financing includes participation from new and existing investors –

– Supports BLA preparation for potentially pivotal Phase 2 study, FIRCE-1 of firicabtagene autoleucl (firi-cel) (CRG-022) and IND-enabling studies for CRG-023 –

– Extends cash runway through 2026 –

SAN CARLOS, Calif., May 28, 2024 (GLOBE NEWSWIRE) -- CARGO Therapeutics, Inc. (Nasdaq: CRGX), a clinical-stage biotechnology company positioned to advance next generation, potentially curative cell therapies for cancer patients, today announced that it has entered into a securities purchase agreement for a private investment in public equity financing that is expected to result in gross proceeds of approximately \$110.0 million, before deducting placement agent fees and other expenses.

The private placement included participation from both new and existing investors including EcoR1 Capital, Woodline Partners LP, Saturn V Capital, Opaley Management, funds and accounts advised by T. Rowe Price Associates, Inc., Novo Holdings A/S, Perceptive Advisors, RTW Investments, LP, Samsara BioCapital, Wellington Management, Ally Bridge Group, Third Rock Ventures, and a large investment manager.

In the private placement, CARGO is selling 6,471,000 shares of its common stock, at a price of \$17.00 per share. The private placement is expected to close on May 30, 2024, subject to the satisfaction of customary closing conditions. The private placement is being conducted in accordance with applicable Nasdaq rules and was priced to satisfy the "Minimum Price" requirement (as defined in the Nasdaq rules).

"We are pleased with the strong support we've received from leading healthcare investors, which we believe is a testament to their conviction in our team, our ability to execute, and importantly our mission to bring potentially curative cell-therapies to cancer patients with high unmet needs," said Gina Chapman, President and Chief Executive Officer. "As we continue to make great progress on our potentially pivotal Phase 2 study of firi-cel in LBCL patients who have R/R from CD19 CAR T therapy, this financing will be key in supporting BLA preparations in addition to advancing our CRG-023 program, which is a novel tri-specific CAR T designed to overcome multiple mechanisms of resistance."

Jefferies, TD Cowen and Piper Sandler are acting as joint placement agents for the private placement.

The securities being issued and sold in this private placement have not been registered under the Securities Act of 1933, as amended, or applicable state securities laws, and may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements. CARGO Therapeutics has agreed to file a registration statement with the Securities and Exchange Commission registering the resale of the shares of common stock issued in the private placement.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

About CARGO Therapeutics

CARGO Therapeutics, Inc. is a clinical-stage biotechnology company positioned to advance next-generation, potentially curative cell therapies for cancer patients. CARGO's programs, platform technologies, and manufacturing strategy are designed to directly address the limitations of approved cell therapies, including limited durability of effect, safety concerns and unreliable supply. CARGO is currently evaluating its lead program, firicabtagene autoleucl (firi-cel) (CRG-022), an autologous CD22 chimeric antigen receptor (CAR) T-cell therapy candidate, in a potentially pivotal Phase 2 clinical study in patients with large B-cell lymphoma (LBCL) whose disease relapsed or was refractory (R/R) to CD19 CAR T-cell therapy. CARGO also plans to evaluate firi-cel (CRG-022) in patients at earlier stages of disease, including LBCL and other hematologic malignancies. Beyond its lead program, CARGO is leveraging its proprietary cell engineering platform technologies to develop a pipeline of programs that incorporate multiple transgene therapeutic "cargo" designed to enhance CAR T-cell persistence and trafficking to tumor lesions, as well as to help safeguard against tumor resistance and T-cell exhaustion. This includes the CRG-023 program, which incorporates a tri-specific CAR T with CD2 co-stimulation. CARGO's founders are pioneers and world-class experts in CAR T-cell therapy, and its team has significant experience and success in developing, manufacturing, launching and commercializing oncology and cell therapy products.

Cautionary Note Regarding 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. In some cases, you can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "contemplate," "continue," "could," "design," "due," "estimate," "expect," "goal," "intend," "may," "objective," "plan," "positioned," "potential," "predict," "seek," "should," "target," "will," "would" and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology. All statements other than statements of historical facts contained in this press release are forward-looking statements. These forward-looking statements include, but are not limited to, statements about: the expected closing date of the private placement; cash operating runway; and the intended use of proceeds. These and other risks are described in greater detail under the section titled "Risk Factors" contained in the company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q and the company's other filings with the SEC. Any forward-looking statements that the company makes in this press release are made pursuant to the Private Securities Litigation Reform Act of 1995, as amended, and speak only as of the date of this press release. Except as required by law, the company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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