



Adaptive
biotechnologies™

Second Quarter 2023
Earnings Conference Call

Safe Harbor

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In addition, non-GAAP financial measures are included in this presentation. Please see table in appendix for reconciliation to the most directly comparable GAAP measure.

Q2 2023 highlights



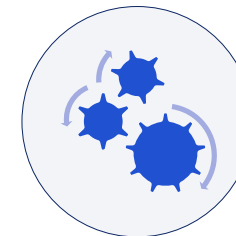
Ensuring sustainable future revenue growth

- Q2 revenue \$48.9M
 - +12% Y/Y, +30% Q/Q
- Strong clonoSEQ test volume growth +52% Y/Y
- Decline in GNE amortization (-29% Y/Y) expected to be offset by new revenue streams



Progressing R&D programs

- GNE programs maturing with key milestone achieved
 - FDA IND acceptance for 1st cell therapy product candidate
- Executing on novel target discovery in 1+ autoimmune disorders



Achieving operating efficiencies

- Continuing to streamline org. and advance op. efficiencies
 - Delivered Q/Q sequencing gross margin¹ improvement
- Strong cash position
 - ~\$417M in cash² as of 6/30/23

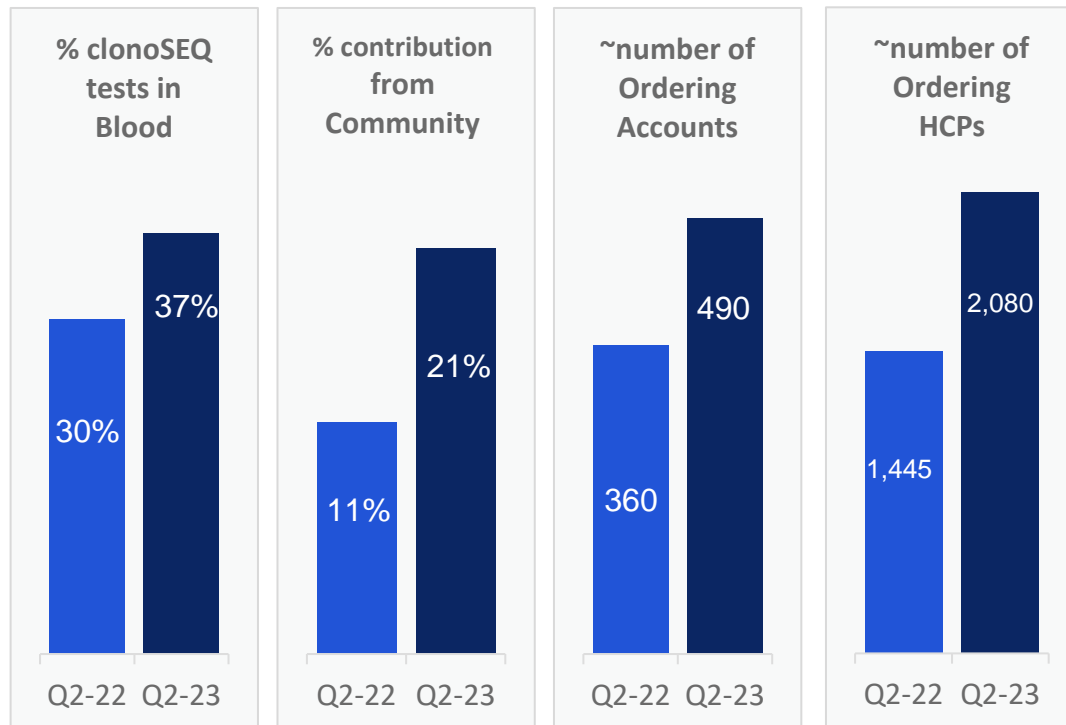
¹ Gross margin excluding milestones and amortization of GNE upfront

² Includes cash, cash equivalents and marketable securities

MRD: 22% Y/Y rev. growth with laser focused strategy to increase penetration

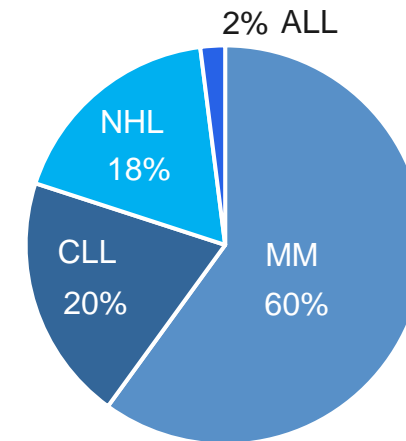
clonoSEQ clinical test

- Q2'23 clinical rev growth of +41% Y/Y; +10% Q/Q
- Q2'23 test delivered volume +52% Y/Y; +13% Q/Q
- All volume metrics trending the right direction



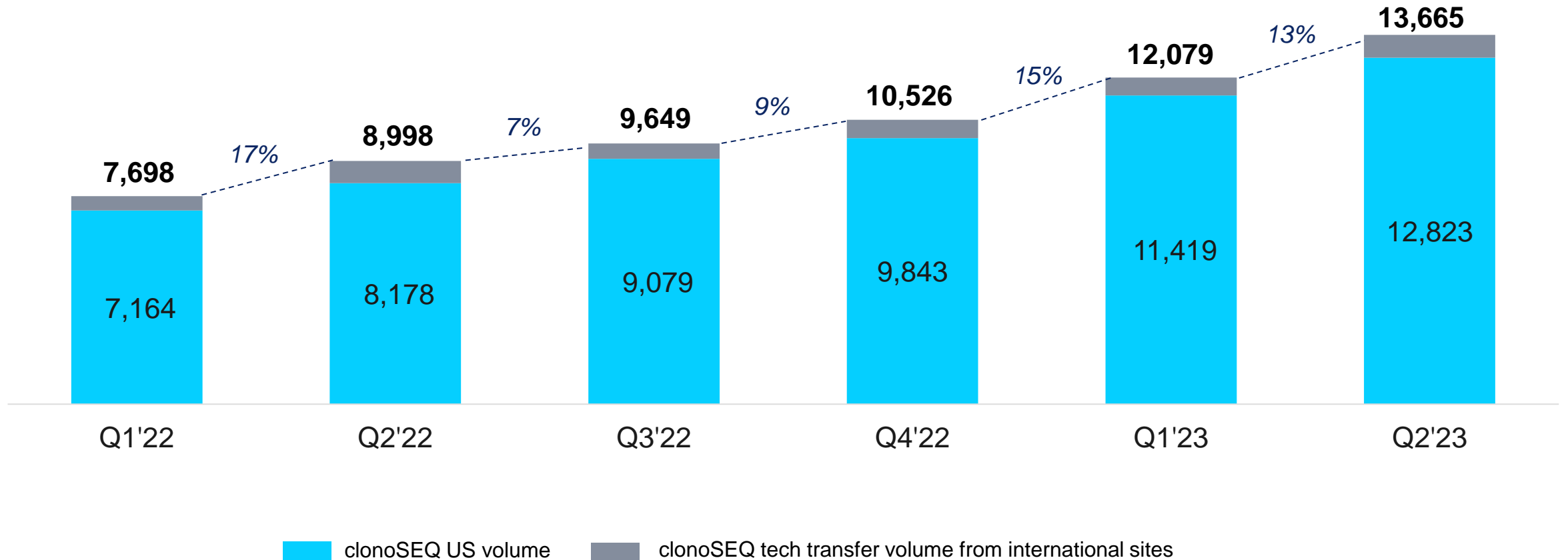
clonoSEQ MRD Pharma

- Q2'23 pharma rev growth (excluding milestones) of +14% Y/Y; +38% Q/Q
 - Revenue growth temporarily softening as trials are getting extended and portfolios reprioritized
 - Strong bookings reflect healthy ongoing demand
- Portfolio mix by indication:



- ~170 active trials
- >60% of trials in phase 2 and phase 3

Quarterly clonoSEQ test volume continues to reach an all-time high



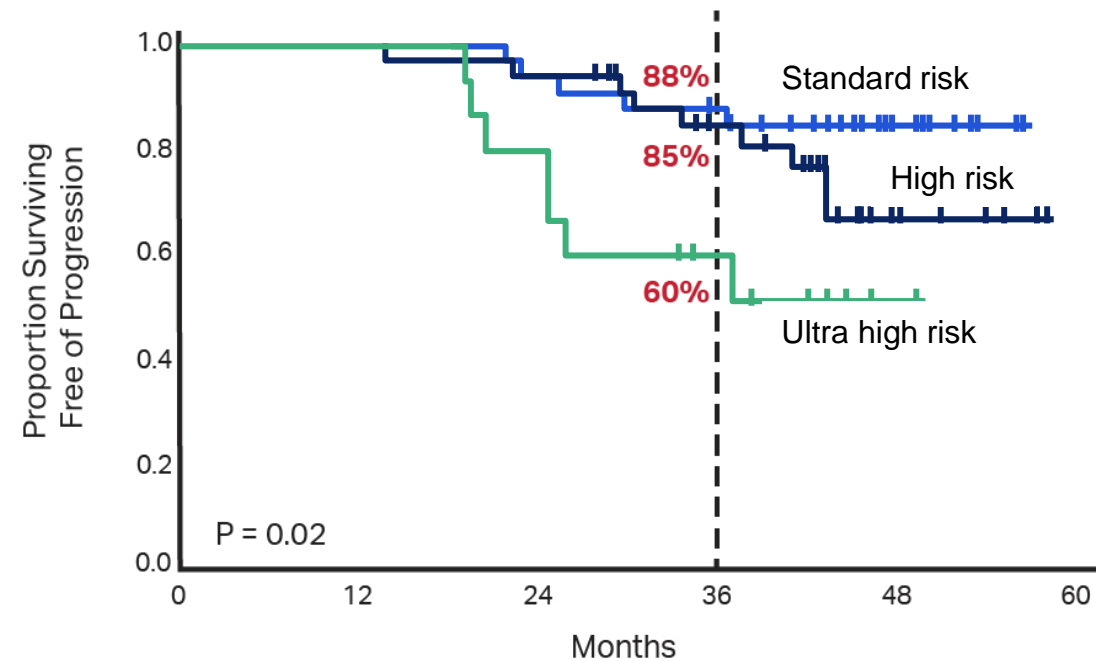
MRD is evolving into an essential clinical decision-making tool in MM

Therapy Discontinuation

>85% of multiple myeloma patients with standard or high-risk genetic features who stopped treatment after two consecutive negative clonoSEQ results did not progress within 3 years

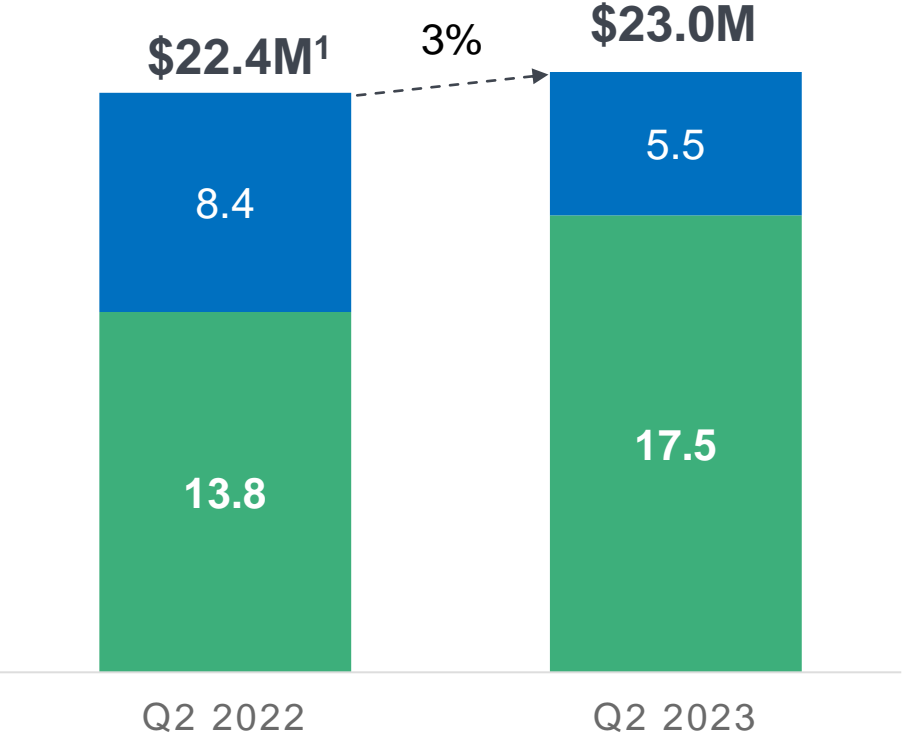
MASTER Trial

3-year PFS Rates for patients that discontinued therapy



HRCA = gain/amp 1q, t(14;16), t(14;20) or del(17p)
Costa L, et al. EHA Abstract #S203

Immune Medicine consists of steady growth toward FY'23 targets



Q2'23 revenue performance

- ☐ Secured milestone from 1st IND acceptance
- ☐ Decrease in GNE amortization starts to be offset by new revenue streams
- ☐ Impact observed in pharma services from strategic and/or budget reprioritization by some biopharma

■ Pharma services² ■ Drug Discovery

¹ Includes \$0.2M from T-Detect.
² Includes revenue from academic services
All \$ and % figures are rounded

GNE partnership: FDA IND acceptance for 1st cell therapy product candidate

TCRs target neoantigens shared among many cancer patients

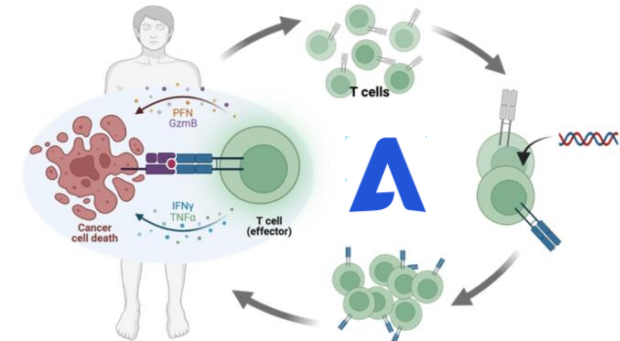
Individualized, patient-specific TCRs

✓ **IND cleared** for 1st therapeutic product candidate

- We are focused on supporting GNE in **speed to the clinic** for this first candidate
- 2 additional TCR data packages are under Genentech consideration

✓ **Successfully identified and characterized TCRs** from 100+ patients

- Starting to **build product development requirements for clinical readiness**
- We are focused on **standardizing and optimizing our process**



On track with key strategic priorities in autoimmunity



- Efforts underway to discover disease-specific targets
- Opportunity to bring targeted therapies to patients with autoimmune diseases

Novel Targets

MS
IBD

TCR Tx

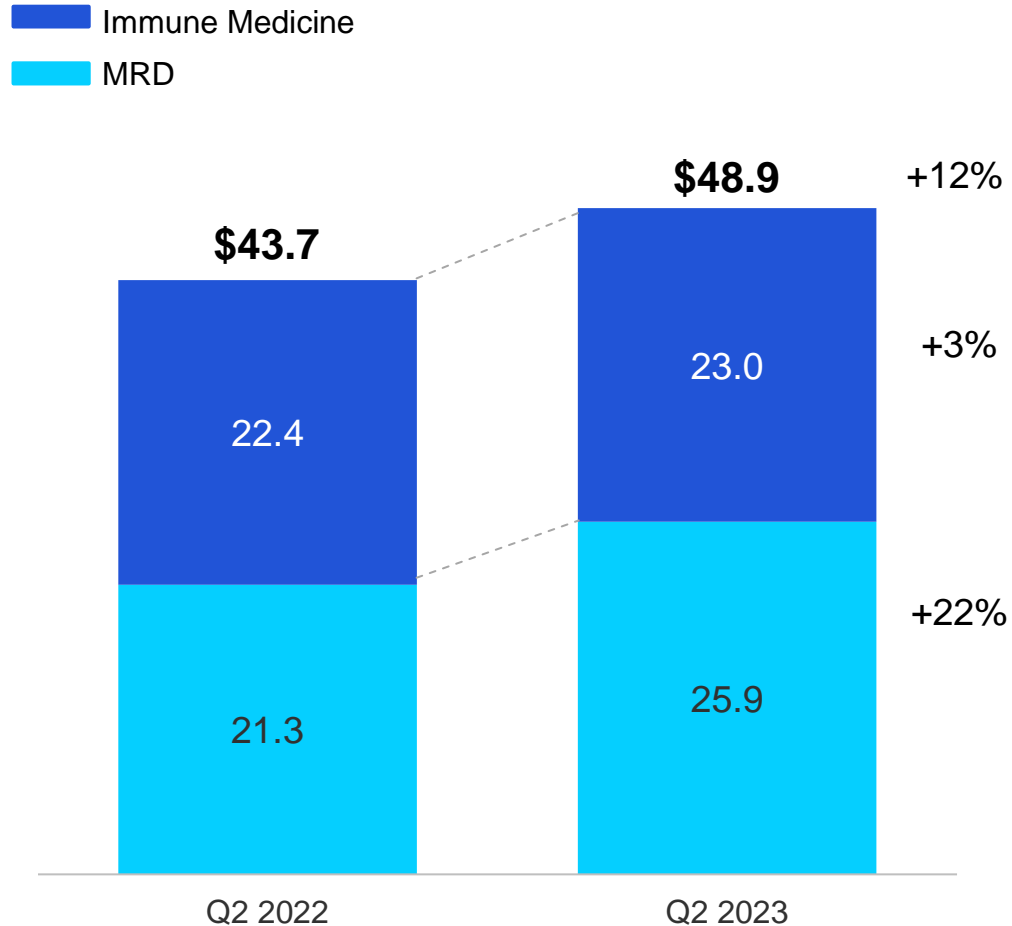
Antibody Tx

Against
novel
targets

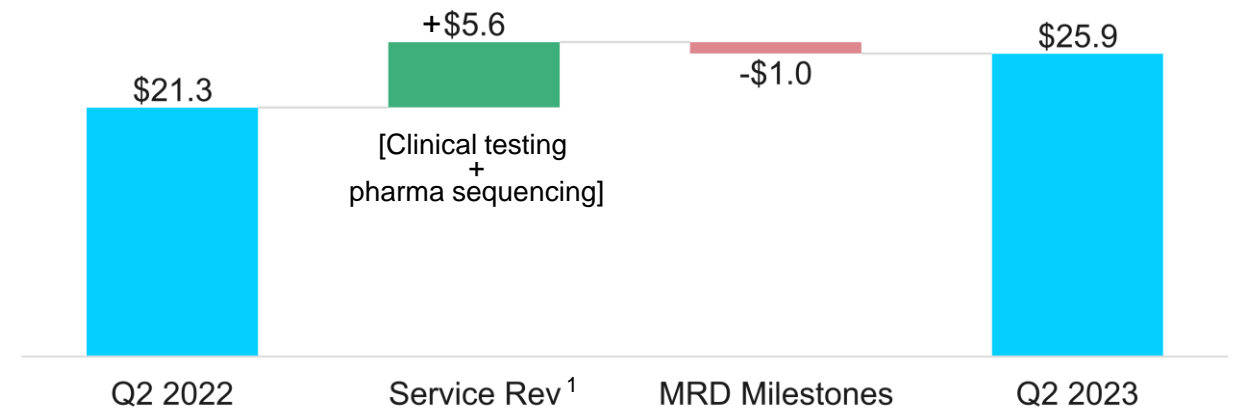
Partner/(co)Develop 

Q2 2023 financial highlights

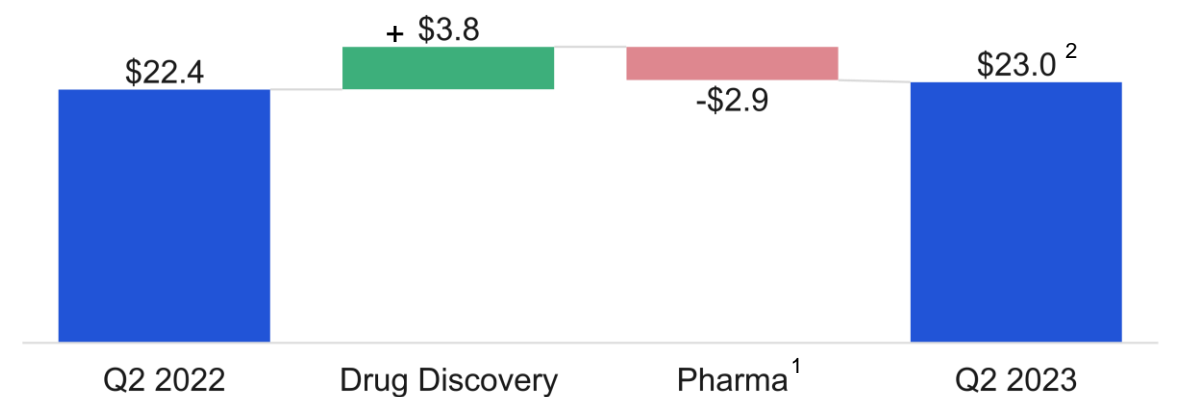
Total Revenue (\$M)



MRD Revenue (\$M)



Immune Medicine Revenue (\$M)



All \$ and % figures are rounded

¹ Includes academic services

² Includes \$0.2M decline from T-Detect

Q2 2023 financial highlights

P&L

| | Q2'23 | Q1'23 | Q2'22 | Q/Q % | Y/Y % |
|-------------------------------|-------------|-------------|-------------|------------|------------|
| Total Revenue | 48.9 | 37.6 | 43.7 | 30% | 12% |
| Cost of Revenues (COR) | 17.9 | 18.7 | 13.2 | -4% | 35% |
| Gross Margin % | 63% | 50% | 70% | 13% | -6% |
| Research & Development | 32.2 | 32.6 | 37.0 | -1% | -13% |
| Sales & Marketing | 23.9 | 22.3 | 24.3 | 7% | -2% |
| General & Admin | 22.3 | 20.8 | 21.2 | 7% | 5% |
| Intangible Amortization | 0.4 | 0.4 | 0.4 | 1% | 0% |
| Total Opex (excl. COR) | 78.8 | 76.2 | 82.9 | 3% | -5% |
| Total Opex (incl. COR) | 96.7 | 94.8 | 96.2 | 2% | 1% |

All non-percentage figures are shown in millions of dollars
All \$ and % figures are rounded

Driving Operating leverage

Key ongoing company-wide efforts to drive efficiencies

- Consolidate into one clinical lab in Seattle HQ
- Optimize lab operations with new LIMS system and simplified workflows
- Evaluation of NovaSeq

FY 2023 guidance

- **Revenue: reiterate 2023 full year revenue range \$205M - \$215M**
 - MRD and Immune Medicine revenue represents ~55% / 45% of total revenue at mid-point
 - >50% clonoSEQ test volume growth vs FY 2022
- **FY 2023 operating expenses:**
 - Expect FY OPEX (including cost of revenue) below FY 2022
- **2H 2023 quarterly cash burn at average of ~\$35M (versus ~\$40M previously)**

Appendix: Reconciliation between Adjusted EBITDA and net loss attributable to Adaptive Biotechnologies Corporation

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|-----------------------------|--------------------|---------------------------|--------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Net loss attributable to Adaptive Biotechnologies Corporation | \$ (47,810) | \$ (52,046) | \$ (105,509) | \$ (114,782) |
| Interest and other income, net | (3,612) | (418) | (6,636) | (689) |
| Interest expense | 3,605 | — | 7,136 | — |
| Depreciation and amortization expense | 5,653 | 5,195 | 11,076 | 10,251 |
| Restructuring expense | — | 11 | — | 2,023 |
| Share-based compensation expense | 17,345 | 14,180 | 32,016 | 27,041 |
| Adjusted EBITDA | <u>\$ (24,819)</u> | <u>\$ (33,078)</u> | <u>\$ (61,917)</u> | <u>\$ (76,156)</u> |