NEWS RELEASE

SQZ Biotechnologies Announces $2 Million Grant From the National Institutes of Health to Develop a Novel, Scalable Cell Replacement Therapy for Parkinson's Disease

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Project to Focus on Creating Dopamine-Producing Neurons Using Direct mRNA-based Reprogramming of Immune Cells

WATERTOWN, Mass.--(BUSINESS WIRE)-- SQZ Biotechnologies (NYSE: SQZ), focused on unlocking the full potential of cell therapies for multiple therapeutic areas, today announced that it has been awarded a $2 million SBIR Phase II grant from the National Institute of General Medical Sciences, a division of the National Institutes of Health. Awarded through a competitive process, the two-year grant will support the development of cell engineering methods that are designed to reprogram a patient's own immune cells directly into dopamine-producing neurons, a potential novel therapeutic approach for the treatment of Parkinson's disease.

"Directly creating dopamine-producing neurons by reprogramming a patient's own immune cells would be a major breakthrough and could support a new Parkinson's disease treatment paradigm," said Jonathan Gilbert, Ph.D., Vice President and Head of Exploratory Research at SQZ Biotechnologies. "Unlike alternative allogeneic cell replacement approaches in development for Parkinson's disease, by using a patient's own cells, treatment might not require chronic immunosuppression. Moreover, in altering cell fate with RNA-based cell engineering methods, no changes to the genome are likely to occur that could carry long-term risks."

Reprogramming a patient's cells to replace lost or diseased cells has significant therapeutic potential. Beyond Parkinson's Disease, applications for cell replacement therapies include Multiple Sclerosis and Type 1 diabetes. However, traditional expensive, time-intensive, and inefficient cell reprogramming methods has hindered clinical progress and patient impact.

At the 2021 International Society for Stem Cell Research annual meeting, the company presented preclinical data showing that proprietary Cell Squeeze® technology can be used to generate neurons from induced human pluripotent stem cells through the delivery of an mRNA encoding for a fate-specifying transcription factor.

With the support of the NIH grant, and building upon our experience in multiplex engineering of immune cells, SQZ researchers will attempt to generate dopaminergic neurons directly from somatic cells. The Cell Squeeze® technology may allow for a unique complex combination of transcription factors, dosing, and timing.

About SQZ Biotechnologies

SQZ Biotechnologies Company is a clinical-stage biotechnology company focused on unlocking the full potential of cell therapies for patients around the world and has active programs in Oncology, Autoimmune and Infectious Diseases, as well as additional exploratory initiatives to support future pipeline growth. The company's proprietary Cell Squeeze® technology offers the unique ability to deliver multiple biological materials into many cell types to engineer what we believe can be a broad range of potential therapeutics. With demonstrated production timelines under 24 hours and the opportunity to eliminate preconditioning and lengthy hospital stays, our approach could significantly broaden the therapeutic range and accessibility of cell therapies. The company's first therapeutic applications seek to generate target-specific immune responses, both in activation for the treatment of solid tumors and infectious diseases, and in immune tolerance for the treatment of autoimmune diseases. For more information, please visit **www.sqzbiotech.com**.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained that do not relate to matters of historical fact should be considered forward-looking statements, including without limitation statements relating to events our platform development, our product candidates, project funding, preclinical and clinical activities, progress and outcomes, development plans, manufacturing, clinical safety and efficacy results, therapeutic potential, market opportunities and disease prevalence. These forward-looking statements are based on management's current expectations. Actual results could differ from those projected in any forward-looking statements due to several risk factors. Such factors include, among others, risks and uncertainties related to our limited operating history; our significant losses incurred since inception and expectation to incur significant additional losses for the foreseeable future; the development of our initial product candidates, upon which our business is highly dependent; the impact of the COVID-19 pandemic on our operations and clinical activities; our need for additional funding and our cash runway; the lengthy, expensive, and uncertain process of clinical drug development, including uncertain outcomes of clinical trials and potential delays in regulatory approval; our ability to maintain our relationships with our third party vendors and strategic collaborators; and protection of our proprietary technology, intellectual property portfolio and the confidentiality of our trade secrets. These and other important factors discussed under the caption "Risk Factors" in our Annual Report on Form 10-K, as updated by our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021 and other filings with the U.S. Securities and Exchange Commission could cause actual results to differ materially from those indicated by the forward-looking statements. Any forward-looking statements represent management's estimates as of this date and we undertake no duty to update these forward-looking statements, whether as a result of new information, the occurrence of current events, or otherwise, unless required by law.

Certain information contained in this press release relates to or is based on studies, publications, surveys and other data obtained from third-party sources and our own internal estimates and research. While we believe these third-party sources to be reliable as of the date of this press release, we have not independently verified, and we make no representation as to the adequacy, fairness, accuracy or completeness of any information obtained from third-party sources.

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