UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 01, 2022

Finch Therapeutics Group, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware	**001-40227**	**82-3433558**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

200 Inner Belt Road **Somerville, Massachusetts**	**02143**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's Telephone Number, Including Area Code: (617) 229-6499

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock $0.001 par value per share	FNCH	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.05 Costs Associated with Exit or Disposal Activities.

On September 1, 2022, Finch Therapeutics Group, Inc. (the "Company") announced its implementation of certain expense reduction measures, approved by its board of directors on August 30, 2022, including a reduction of the Company's workforce by 50 full-time employees, or approximately 37% of the Company's current employees (the "Restructuring"). The Restructuring is part of an ongoing strategic review of the Company's business and portfolio and follows the Company's recent announcement that it is assessing the financial and strategic impact of the termination of its collaboration with Takeda Development Center Americas, Inc.

The Company has also announced that it is evaluating its strategy across its entire portfolio. As part of this ongoing review, the Company will suspend its efforts to initiate a Phase 1 trial of FIN-211, the Company's product candidate in development for the treatment of autism. The Company will provide further updates on the strategy for each of its product candidates and its cash runway in the future.

As a result of the Restructuring, the Company estimates that it will incur approximately $1.6 million in costs consisting of one-time severance payments, outplacement services and related expenses. The Company expects to record a significant portion of these charges in the second half of 2022. The Restructuring is expected to be substantially complete by the end of the fourth quarter of 2022. The estimates of costs that the Company expects to incur and the timing thereof are subject to a number of assumptions and actual results may differ. The Company may also incur other charges or cash expenditures not currently contemplated in connection with the Restructuring.

Item 7.01 Regulation FD Disclosure.

On September 1, 2022, the Company issued a press release related to the Restructuring. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained in this item, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act of 1934, as amended (the "Exchange Act"), and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Cautionary Note Regarding Forward Looking Statements

This Current Report on Form 8-K (this "Current Report") includes "forward-looking statements." Words such as "will," "anticipates," "believes," "expects," "intends," "plans," "potential," "projects," "would" and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding Finch's strategy and anticipated cash runway, its estimation of expenses incurred in connection with the Restructuring, and the expected timing for completion of the Restructuring and the timing of the associated charges. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, among others, those related to: Finch's limited operating history and historical losses; Finch's ability to raise additional funding to complete the development and any commercialization of its product candidates and the potential impact of termination of Finch's collaboration with Takeda on such funding requirements and Finch's ability to obtain funding; Finch's dependence on the success of its lead product candidate, CP101; the possibility that Finch may be delayed in initiating, enrolling or completing any clinical trials; results of clinical trials may not be indicative of final or future results from later stage or larger clinical trials (or in broader patient populations once the product is approved for use by regulatory agencies) or may not be favorable or may not support further development; Finch's product candidates may not generate the benefits to patients that are anticipated; results of clinical trials may not be sufficient to satisfy regulatory authorities to approve Finch's product candidates in their targeted or other indications (or such authorities may request additional trials or additional information); Finch's ability to comply with regulatory requirements; ongoing regulatory obligations and continued regulatory review may result in significant additional expense to Finch and Finch may be subject to penalties for failure to comply; competition from third parties that are developing products for similar uses; Finch's ability to maintain patent and other intellectual property protection and the possibility that Finch's intellectual property rights may be infringed, invalid or unenforceable or will be threatened by third parties; Finch's ability to qualify and scale its manufacturing capabilities in anticipation of commencement of multiple global clinical trials; Finch's lack of experience in selling, marketing and distributing its product candidates; Finch's dependence on third parties in connection with manufacturing, clinical trials and preclinical studies; and risks relating to the impact and duration of the COVID-19 pandemic on Finch's business. These and other risks are described more fully in Finch's filings with the Securities and Exchange Commission ("SEC"), including the section titled "Risk Factors" in Finch's Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on March 31, 2022, as supplemented by Finch's Quarterly Reports on Form 10-Q filed with the SEC on May 16, 2022 and August 11, 2022, as well as discussions of potential risks, uncertainties, and other important factors in Finch's other filings with the SEC. All forward-looking statements contained in this Current Report speak only as of the date on which they were made. Except to the extent required by law, Finch undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated September 1, 2022.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FINCH THERAPEUTICS GROUP, INC.

Date: September 1, 2022

By: /s/ Mark Smith
Mark Smith, Ph.D.
Chief Executive Officer

Exhibit 99.1

Finch Therapeutics Provides Business Update

SOMERVILLE, Mass., Sept. 1, 2022 (GLOBE NEWSWIRE) -- Finch Therapeutics Group, Inc. (“Finch” or “Finch Therapeutics”) (Nasdaq: FNCH), a clinical-stage microbiome therapeutics company leveraging its *Human-First Discovery*® platform to develop a novel class of orally administered biological drugs, today announced plans to reduce its workforce by approximately 37% as part of an ongoing strategic review of its business and portfolio. This decision follows Finch’s recent announcement that it is assessing the financial and strategic impact of Takeda’s decision to discontinue its inflammatory bowel disease (IBD) collaboration with Finch.

“Following the recent discontinuation of our IBD collaboration with Takeda, coupled with the current capital market environment, we are evaluating our strategy across our entire portfolio and have made the difficult decision to reduce our workforce,” said Mark Smith, PhD, Chief Executive Officer of Finch Therapeutics. “As part of this ongoing review, we have decided to suspend efforts to initiate the Phase 1 trial of our IND-ready candidate FIN-211 while we explore opportunities to leverage clinical data from ongoing third-party studies to inform our autism program strategy going forward.”

Dr. Smith continued, “I’d like to extend my sincere gratitude to our departing colleagues for their dedication to our mission and their tremendous contributions that have helped us pioneer this new modality and bring hope to many patients and families in need.”

The Company will provide further updates on the strategy for each of its product candidates and its cash runway in the future.

About Finch Therapeutics

Finch Therapeutics is a clinical-stage microbiome therapeutics company leveraging its *Human-First Discovery*® platform to develop a novel class of orally administered biological drugs. With the capabilities to develop both complete and targeted microbiome therapeutics, Finch has a rich pipeline of candidates designed to address a wide range of unmet medical needs. Finch’s lead candidate, CP101, is in late-stage clinical development for the prevention of recurrent *C. difficile* infection and has received Breakthrough Therapy and Fast Track designations from the U.S. Food and Drug Administration. Finch’s pipeline also includes FIN-211 for children with autism spectrum disorder and significant gastrointestinal symptoms, FIN-524 for the treatment of ulcerative colitis, and FIN-525 for the treatment of Crohn’s disease. Finch routinely posts information that may be important to its investors on its website at www.finchtherapeutics.com. Finch encourages investors to consult the “Investors & News” section of its website regularly.

Human-First Discovery® is a registered trademark of Finch Therapeutics Group, Inc.

Forward-Looking Statements

This press release includes “forward-looking statements.” Words such as “will,” "anticipates," "believes," "expects," "intends," “plans,” “potential,” "projects,” “would” and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding: the financial and strategic impact of the termination of Finch’s collaboration with Takeda; the potential for opportunities to leverage third-party clinical data to inform Finch’s autism program; Finch’s strategic review and plans with respect to its business and portfolio, including the initiation of future clinical trials; Finch’s anticipated runway; and Finch’s ability to develop a novel class of orally administered biological drugs. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, among others, those related to: Finch’s limited operating history and historical losses; Finch’s ability to raise additional funding to complete the development and any commercialization of its product candidates and the potential impact of termination of Finch's collaboration with Takeda on such funding requirements and Finch's ability to obtain funding; Finch’s dependence on the success of its lead product candidate, CP101; the possibility that Finch may be delayed in initiating, enrolling or completing any clinical trials; results of clinical trials may not be indicative of final or future results from later stage or larger clinical trials (or in broader patient populations once the product is approved for use by regulatory agencies) or may not be favorable or may not support further development; Finch’s product candidates may not generate the benefits to patients that are anticipated; results of clinical trials may not be sufficient to satisfy regulatory authorities to approve Finch’s product candidates in their targeted or other indications (or such authorities may request additional trials or additional information); Finch’s ability to comply with regulatory requirements; ongoing regulatory obligations and continued regulatory review may result in significant additional expense to Finch and Finch may be subject to penalties for failure to comply; competition from third parties that are developing products for similar uses; Finch’s ability to maintain patent and other intellectual property protection and the possibility that Finch’s intellectual property rights may be infringed, invalid or unenforceable or will be threatened by third parties; Finch’s ability to qualify and scale its manufacturing capabilities in anticipation of commencement of multiple global clinical trials; Finch’s lack of experience in selling, marketing and distributing its product candidates; Finch’s dependence on third parties in connection with manufacturing, clinical trials and preclinical studies; and risks relating to the impact and duration of the COVID-19 pandemic on Finch’s business. These and other risks are described more fully in Finch’s filings with the Securities and Exchange Commission (“SEC”), including the section titled “Risk Factors” in Finch’s Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on March 31, 2022, as supplemented by Finch’s Quarterly Reports on Form 10-Q filed with the SEC on May 16, 2022 and August 11, 2022, as well as discussions of potential risks, uncertainties, and other important factors in Finch’s other filings with the SEC. All forward-looking statements contained in this Current Report speak only as of the date on which they were made. Except to the extent required by law, Finch undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

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