As filed with the Securities and Exchange Commission on April 15, 2022.

Registration No. 333-

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

FORM S-1
REGISTRATION STATEMENT
Under
The Securities Act of 1933

PEPGEN INC.
(Exact name of registrant as specified in its charter)

Delaware	2834	85-3819886
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

245 Main Street
Cambridge, Massachusetts
02142
(781) 797-0979
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

James McArthur, Ph.D.
President and Chief Executive Officer
PepGen Inc.
245 Main Street
Cambridge, Massachusetts 02142
(781) 797-0979
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Richard Hoffman, Esq.
James Xu, Esq.
Alicia Tschirhart, Esq.
Goodwin Procter LLP
100 Northern Avenue
Boston, Massachusetts 02210
(617) 570-1000

Nathan Ajiashvili, Esq.
Alison Haggerty, Esq.
Latham & Watkins LLP
1271 Avenue of the Americas
New York, New York 10020
(212) 906-1200

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☐	Accelerated Filer	☐
Non-Accelerated Filer	☒	Smaller Reporting Company	☒
		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 to Section 7(a)(2)(B) of the Securities Act. ☐

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus dated April 15, 2022

PROSPECTUS

Shares

Common Stock

This is PepGen Inc.'s initial public offering. We are selling shares of our common stock.

We expect the public offering price to be between $ and $ per share. Currently, no public market exists for the shares. After pricing of the offering, we expect that the shares will trade on the Nasdaq Global Market under the symbol "PEPG."

We are an "emerging growth company" and a "smaller reporting company" under applicable Securities and Exchange Commission rules and will be subject to reduced public company reporting requirements for this prospectus and future filings.

Investing in our common stock involves risks that are described in the section titled "Risk Factors" beginning on page 14 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to us	$	$

(1) See the section titled "Underwriting" beginning on page 214 of this prospectus for additional information on underwriting compensation.

The underwriters may also exercise their option to purchase up to additional shares from us, at the public offering price, less the underwriting discount, for 30 days after the date of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission approved or disapproved of the securities that may be offered under this prospectus, nor have any of these organizations determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about , 2022.

BofA Securities **SVB Leerink** **Stifel**

Wedbush PacGrow

The date of this prospectus is , 2022

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We have not, and the underwriters have not, authorized anyone to provide any information or to make any representation other than those contained in this prospectus, any amendment or supplement to this prospectus or any free writing prospectuses prepared by or on behalf of us or to which we have referred you. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares of common stock offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus, any amendment or supplement to this prospectus or any applicable free writing prospectus is current only as of its date, regardless of its time of delivery or any sale of shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside the United States: We have not, and the underwriters have not, done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside the United States.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our common stock, you should carefully read this entire prospectus, including our financial statements and the related notes included elsewhere in this prospectus. You should also consider, among other things, the matters described under "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," in each case appearing elsewhere in this prospectus. Unless the context otherwise requires, the terms "PepGen," "the Company," "the Registrant," "we," "us," and "our" in this prospectus refer to PepGen Inc. and, where appropriate, our subsidiaries.

Overview

We are a clinical-stage biotechnology company advancing the next generation of oligonucleotide therapeutics with the goal of transforming the treatment of severe neuromuscular and neurologic diseases. Our Enhanced Delivery Oligonucleotide, or EDO, platform is founded on over a decade of research and development and leverages cell-penetrating peptides to improve the uptake and activity of conjugated oligonucleotide therapeutics. This technology was initially developed through a collaboration between researchers at the University of Oxford and the Medical Research Council of United Kingdom Research and Innovation. We have in-licensed an extensive patent portfolio from these institutions to support the further advancement and potential commercialization of our EDO platform. Our EDO peptides are engineered to optimize tissue penetration, cellular uptake and nuclear delivery, and in preclinical studies we have observed their ability to transport oligonucleotides into a broad range of target tissues, including smooth, skeletal, and cardiac muscle and the central nervous system, or CNS. Furthermore, the high levels of pharmacological activity observed in preclinical studies support our belief that our EDO platform technology has the potential to deliver therapeutic agents to the cell nucleus. Using these EDO peptides, we are generating a pipeline of oligonucleotide therapeutic candidates that target the root cause of serious diseases.

We are currently in clinical-stage development, with our lead product candidate, PGN-EDO51, having entered the clinic in the second quarter of 2022. We are developing PGN-EDO51 to treat individuals with Duchenne muscular dystrophy, or DMD, whose mutations are amenable to an exon 51-skipping therapeutic approach. An exon is a segment of a gene that – together with other exons – contains the code that is translated into a protein. Exon skipping is a therapeutic modality that enables mutations in the gene to be bypassed, thereby repairing this code and enabling production of a truncated, yet functional version of the target protein. In non-human primate, or NHP, studies, PGN-EDO51 at a dose of 30 mg/kg achieved over 70% exon 51 skipping in skeletal muscle, including diaphragm. Based on a head-to-head comparison with the most clinically-advanced peptide-conjugated oligonucleotide therapeutic, and on cross-trial comparisons with publicly-available data for other preclinical approaches, we believe this to be the highest rate of exon 51 skipping reported for any approved therapeutic or known development candidate at tolerable dose levels. Following the review of our preclinical dataset by Health Canada and subsequent authorization of our Clinical Trial Application, or CTA, we initiated a Phase 1 clinical trial of PGN-EDO51 in healthy normal volunteers, or HNV, and we anticipate receiving topline data from this trial by the end of 2022. We are also developing PGN-EDODM1 for the treatment of myotonic dystrophy type 1, or DM1, for which we anticipate submitting an investigational new drug, or IND, application in the first half of 2023, and PGN-EDO53 for the treatment of DMD patients whose mutations are amenable to an exon 53-skipping therapeutic approach, for which we anticipate reporting exon skipping data in NHPs in the second half of 2022. Alongside these therapeutic candidates, we have initiated research efforts on EDO therapeutics for further DMD exon skipping populations, including exon 45- and exon 44-skipping amenable patients, and for additional indications, including neuromuscular diseases and neurologic disorders. We anticipate advancing additional programs into CTA- and IND-enabling studies in 2024.

The advent of oligonucleotide therapeutics represented a major advance in the history of the biopharmaceutical industry. Oligonucleotide therapeutics are a nucleic acid-based genetic medicine modality

that are designed to target the root cause of many diseases through the modulation of RNA expression and processing. These therapeutics have demonstrated clinical benefit and been approved for the treatment of multiple diseases. The approved drugs within this category include antisense oligonucleotides, or ASOs, which are short, synthetic, single-stranded oligonucleotides designed to inhibit or modify expression of protein and RNA.

However, despite the considerable potential of oligonucleotides as a therapeutic class, the challenges associated with their delivery has limited the development of these therapies in certain disease areas. On their own, oligonucleotides therapeutics are not readily distributed to heart and skeletal muscle, the key tissues affected in neuromuscular diseases, and are not efficiently taken up into these cells.

Our EDO Platform

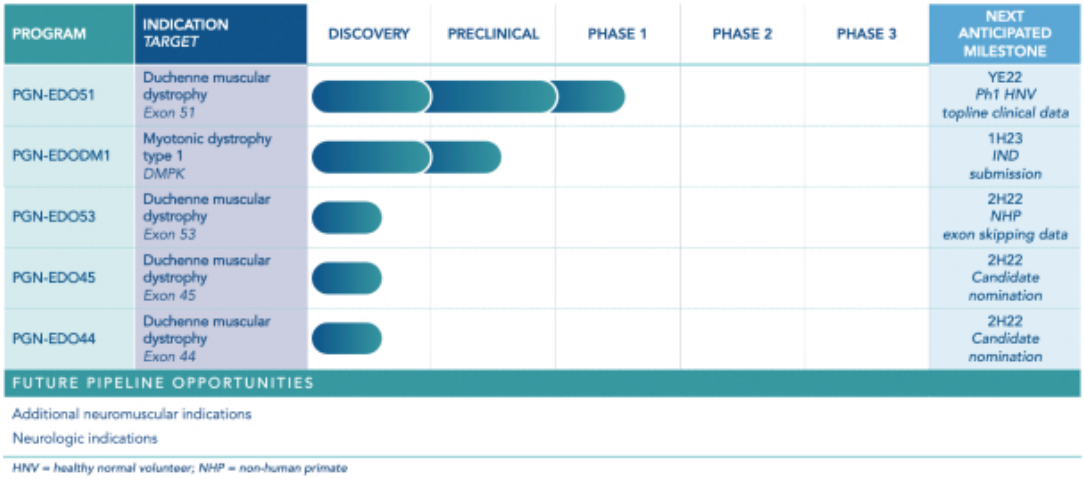
To address this challenge, we engineered our proprietary EDO technology to optimize tissue penetration, cellular uptake and nuclear delivery, which we believe may enhance the therapeutic activity of oligonucleotides and improve the tolerability of these genetic medicines. Our platform is based on novel cell-penetrating EDO peptides that were developed through an iterative process which selected simultaneously for high cellular uptake, biodistribution to key muscle targets, including cardiac tissue, and improved tolerability. We utilize phosphorodiamidate morpholino oligomers, or PMOs, a type of ASO chemistry that confers enhanced stability, in our approach, and these therapeutic cargos are conjugated to one of our optimized, proprietary, novel EDO peptides to generate our lead EDO product candidates. We are continuing to build and develop this platform technology as we expand into new therapeutic areas.

Using this novel, proprietary platform, we are developing a broad pipeline of disease-modifying EDO candidates to treat a variety of degenerative neuromuscular and neurologic diseases. Our platform is designed to offer the following advantages compared to existing oligonucleotide approaches:

- Enhanced delivery to skeletal muscle, including diaphragm, cardiac muscle and the CNS.
- Improved activity, which we have observed in NHPs with the greatest exon 51 skipping potency at tolerable target dose levels compared to any approved therapeutic or known developmental candidate.
- An enhanced balance between activity and tolerability, which is designed to afford our product candidates a wider therapeutic index.
- Robust, scalable and cost-efficient manufacturing that does not require cell-based processes.
- Accelerated and efficient pipeline development of therapeutic candidates enabled by use of the same EDO peptide across all our initial programs.

Our Portfolio

We are harnessing the power of our EDO platform to generate a pipeline of oligonucleotide therapeutic candidates. Our EDO conjugates have been engineered to successfully target the root cause of serious diseases and to exhibit a favorable tolerability profile. We are initially focused on addressing neuromuscular indications, and are building a portfolio of therapeutic candidates to address the underlying genetic mutations found in DMD and DM1, with our current pipeline being comprised of five programs. We anticipate expanding this pipeline to include other neuromuscular targets as well as opportunities in neurologic indications, and intend to leverage the modular, scalable nature of our EDO technology to support our rapid expansion into these new therapeutic areas. Our product candidates, PGN-EDO51 and PGN-EDODM1, target a large potential market opportunity, with approximately 135,000 DMD exon 51 and DM1 patients across the United States, Europe and Japan. We own worldwide development and commercialization rights to all our programs.



PGN-EDO51

Our lead product candidate is PGN-EDO51, an EDO peptide conjugated to a PMO therapeutic cargo, which we are developing for the treatment of DMD patients with mutations amenable to an exon 51-skipping approach. DMD is a debilitating X-linked recessive muscle-wasting disease that predominantly affects boys, and arises due to the presence of mutations in the gene encoding dystrophin, a protein necessary for normal muscle function. It is one of the most prevalent rare genetic diseases globally, with up to 15,000 DMD patients in the United States and approximately 25,000 DMD patients in Europe and 5,000 in Japan. It is thought that 13% of patients with DMD have mutations that are amenable to treatment with an exon 51-skipping therapeutic approach, and thus the estimated exon 51 patient population is approximately 2,000 in the United States, 3,200 in Europe and 700 in Japan. DMD patients typically succumb to cardiac and respiratory failure in their late teens or early twenties. There is no cure for DMD and there are no treatments that have clinically demonstrated a meaningful impact on disease progression.

PGN-EDO51 is designed to splice out exon 51 of the dystrophin pre-mRNA, resulting in the restoration of the open reading frame of the dystrophin transcript and the production of a shortened, yet functional dystrophin protein. In wild-type NHP studies, at tolerable doses, we have observed the most potent exon 51 skipping based on cross-trial comparisons with publicly-available data for any approved therapeutic or known developmental candidate across target tissues, including the heart and diaphragm. These cross-trial comparisons were conducted with data published by Sarepta Therapeutics, or Sarepta, for EXONDYS 51® (eteplirsen), and by

Dyne Therapeutics for DYN-251. In addition, in our head-to-head NHP studies, we observed that PGN-EDO51 had greater activity than R_6G-PMO, which we believe is structurally equivalent to Sarepta's SRP-5051, the most clinically advanced peptide-ASO conjugate. At a dose of 10 mg/kg, PGN-EDO51 exhibited approximately as much exon skipping activity as a 3-fold higher dose, i.e., 30 mg/kg, of R_6G-PMO. Our preclinical work also indicated that PGN-EDO51 was generally well-tolerated at target dose levels. Following the review of our preclinical dataset by Health Canada and its authorization of our CTA, we initiated a Phase 1 clinical trial of PGN-EDO51 in the second quarter of 2022, and anticipate receiving topline data by the end of 2022.

PGN-EDODM1

We are developing PGN-EDODM1, an EDO peptide-conjugated PMO, for the treatment of DM1. DM1 is a monogenic, autosomal dominant, progressive disorder that primarily affects skeletal, cardiac and smooth muscles as well as the CNS, resulting in significant physical, cognitive and behavioral impairments and disability. The burden of disease is significant, and many patients have a shortened lifespan. DM1 is caused by an abnormal trinucleotide repeat expansion in a region of the *DMPK* gene and is estimated to affect approximately 40,000 patients in the United States, 75,000 patients in Europe and 15,000 patients in Japan. There are currently no approved therapies for the treatment of DM1.

PGN-EDODM1 leverages the same EDO peptide as PGN-EDO51 to deliver a PMO into muscle cells that binds to the cytosine-uracil-guanine, or CUG, trinucleotide repeat expansion present in the *DMPK* mRNA, thus reducing the ability of these trinucleotide repeats to sequester MBNL1, a critical RNA processing protein. This steric blocking approach – which is not designed to knockdown *DPMK* – directly addresses the underlying genetic defect of this disease, and in DM1 patient cells we observed that treatment with PGN-EDODM1 led to the robust correction of multiple downstream mis-spliced transcripts and a reduction in toxic nuclear foci. Furthermore, we observed in our *in vivo* preclinical studies that a single dose of PGN-EDODM1 corrected the molecular and functional phenotypes presented in the human skeletal actin – long repeat, or HSA^{LR}, mouse model of disease, reducing myotonia and normalizing mobility. We also observed that the molecular correction effected by PGN-EDODM1 in this preclinical mouse model exhibited a durability of effect that was in excess of six months. The ability of the EDO conjugate to cross the blood-brain barrier may also enable PGN-EDODM1 to address the CNS phenotypes that are evident in DM1 patients. We anticipate submitting an IND in the first half of 2023 to initiate a Phase 1/2 clinical trial of PGN-EDODM1 in DM1 patients.

PGN-EDO53

Our second EDO therapeutic candidate for the treatment of DMD, and third product candidate, PGN-EDO53, is an EDO peptide-conjugated PMO designed to skip exon 53 of the dystrophin transcript. It is estimated that 8% of DMD patients have mutations that would be amenable to treatments with an exon 53-skipping approach. PGN-EDO53 will utilize the same EDO cell penetrating peptide as our exon 51-skipping product candidate, PGN-EDO51, which we believe will allow us to leverage our drug development experience in this indication to rapidly drive our exon 53-skipping product candidate to the clinic. We are currently conducting an *in vitro* screen of candidate oligonucleotide sequences, and we anticipate that we will report exon skipping results from an NHP study in the second half of 2022.

Additional Discovery Programs

We have active discovery programs focused on expanding our pipeline in DMD and other neuromuscular diseases. We are screening oligonucleotides for the treatment of DMD patient populations with mutations that are amenable to exon skipping approaches other than exon 51 and exon 53. Our initial discovery work is focused on selection of oligonucleotides for exon 45 and exon 44 skipping, and we have commenced synthesis activities to support an *in vitro* screen in patient cells. We anticipate nominating candidates for our PGN-EDO45 and PGN-EDO44 programs in the second half of 2022.

Expanding the Applications and Scope of Our EDO Platform

New indications with PMO therapeutics

We intend to leverage our deep understanding of our EDO platform and oligonucleotide therapeutic candidates to develop additional product candidates for other indications. We believe the ability to deliver exon skipping therapeutics to muscle cells, including cardiac muscle cells, as well as the CNS is largely independent of the exact sequence of the PMO. As such, by leveraging our preclinical data and the plug-and-play nature of our EDO platform, and by investigating other routes of administration, including intrathecal, we believe that we are well positioned to develop additional product candidates with the potential to drive clinically relevant therapeutic outcomes in other neuromuscular diseases as well as neurologic indications.

New cargos

We believe that our EDO technology has the potential to facilitate the delivery of multiple classes of oligonucleotide therapeutics. To date, our efforts have primarily focused on the delivery of PMOs, but we are also actively pursuing the expansion of our cargo scope to other nucleic acid species.

New peptide technologies

We intend to further establish our expertise and competitive position in the field of oligonucleotide delivery through the ongoing research and development of new cell penetrating peptides. We will leverage our extensive experience in this field to design new peptides that target specific tissue types, and will seek to further optimize the tissue, cellular and nuclear delivery of our EDO platform technology.

Our Strategy

Our goal is to become a leading biopharmaceutical company focused on the development and commercialization of oligonucleotide therapies to transform the lives of patients with severe neuromuscular and neurologic diseases. We aim to accomplish this goal by implementing the following strategies:

- Advance our lead product candidate, PGN-EDO51, through clinical trials and regulatory approval.
- Advance PGN-EDODM1 through clinical trials and regulatory approval.
- Expand our pipeline of oligonucleotide therapeutic candidates for the treatment of additional DMD patient populations.
- Leverage the full potential of our EDO technology to expand into other neuromuscular, neurological and cardiac disease areas.
- Utilize the modular nature of our EDO platform to evaluate new cargos and peptide technologies.
- Maximize the value of our pipeline and our EDO platform by selectively exploring strategic collaborations.

Our Team and Investors

Our mission is to deliver transformative therapeutics to those in need, and we believe our innovative technology is well-positioned to effect this change for patients, families and the broader healthcare community. As a company, we value:

- **Research:** We are a data-driven company at heart, and we approach our work with an evidence-based mindset;
- **Innovation:** We are always exploring new ways to learn, build and improve across all facets of our company;
- **Integrity:** We act ethically and honestly in both our scientific and business conduct; and
- **Responsibility:** As a therapeutic company, we appreciate the impact our work has on patients and their families.

In support of our mission, we have assembled a leadership team with deep experience in research and development, clinical translation, regulatory affairs and corporate development. Our Chief Executive Officer, James McArthur, Ph.D., brings over 25 years of industry experience to the company, including senior leadership and Board roles at Imara, Cydan and Nightstar Therapeutics, with a specific focus on rare disease therapeutics. Dr McArthur is ably supported by a team that includes Noel Donnelly, our Chief Financial Officer, who has over 25 years of experience in financial planning and analysis, business analytics and portfolio management and has held roles at EIP Pharma, Takeda and Shire; Jaya Goyal, Ph.D., our Executive Vice President of Research and Preclinical Development, who has held roles at Wave Life Sciences and Biogen, and brings considerable experience in bioanalytical studies, biomarkers and pharmacology across a broad range of preclinical-, clinical- and commercial-stage programs; Michelle L. Mellion, M.D., our Senior Vice President, Clinical Development, who is double Board-certified in neurology and clinical neurophysiology and has held roles at Fulcrum, Vertex and Biogen; Niels Svenstrup, Ph.D., our Senior Vice President of Chemistry, Manufacturing and Control, who has extensive experience in the manufacturing and release of peptide drugs for late-stage clinical programs and has held roles at Ascendis Pharma, Cydan and Lundbeck, amongst others; and Sonia Bracegirdle, D.Phil, our Senior Vice President of Strategy and Operations, who has held roles at Syncona Limited, the Boston Consulting Group and McKinsey & Company, and was one of the founding members of the PepGen team. We have established a strong scientific advisory board, who bring a wealth of expertise from both the indication and therapeutic modality perspectives in their roles as academics, clinicians and drug developers.

We were founded in 2018 with technology spun out from the University of Oxford and the Medical Research Council of United Kingdom Research and Innovation to further develop and commercialize this novel peptide delivery approach. This technology was created and refined over a decade by Michael Gait, Ph.D. and Professor Matthew Wood, M.D., Ph.D. We have exclusively licensed the patents, patent applications and know-how associated with this technology.

To date, we have raised $163.7 million in equity investment from a leading group of life sciences investors, including entities affiliated with RA Capital Management, Oxford Science Enterprises plc and KAVRA 16 LLC.

Risks Associated with our Business

- We have incurred significant losses since our inception, have no products approved for sale and we expect to incur losses for the foreseeable future.

- We have never generated revenue from product sales and may never achieve or maintain profitability.
- We are very early in our development efforts. We have only advanced one product candidate into clinical development, and as a result it will be years before we commercialize a product candidate, if ever. If we are unable to advance our product candidates through preclinical studies and clinical trials, obtain marketing approval and ultimately commercialize them, or experience significant delays in doing so, our business will be materially harmed.
- Our approach to the discovery and development of product candidates based on our EDO platform is unproven, and we may not be successful in our efforts to identify, discover or develop potential product candidates.
- We rely, and expect to continue to rely, on third parties to conduct some or all aspects of our product manufacturing, research and preclinical and clinical testing, and these third parties may not perform satisfactorily.
- Our lead product candidate is in clinical development, while all of our other product candidates are still in preclinical development. As an organization, we have never completed any clinical trials and may be unable to do so for any of our product candidates.
- Even if we complete the necessary preclinical studies and clinical trials, the marketing approval process is expensive, time-consuming and uncertain and may prevent us from obtaining approvals for the commercialization of our product candidates. If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals, we will not be able to commercialize, or will be delayed in commercializing, our product candidates, and our ability to generate revenue will be materially impaired.
- We face substantial competition, which may result in others discovering, developing or commercializing products before us or more successfully than we do.
- If we or our licensors are unable to obtain, maintain and defend patent and other intellectual property protection for any product candidates or technology, or if the scope of the patent or other intellectual property protection obtained is not sufficiently broad, our competitors could develop and commercialize products and technology similar or identical to ours, and our ability to successfully develop and commercialize our product candidates or our technology may be adversely affected due to such competition.
- Our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

Impact of COVID-19

The ongoing COVID-19 pandemic continues to present a substantial public health and economic challenge around the world, and to date has led to the implementation of various responses, including government-imposed quarantines, stay-at-home orders, travel restrictions, mandated business closures and other public health safety measures.

We continue to closely monitor the impact of the ongoing COVID-19 pandemic on all aspects of our business, including how it has and will continue to impact our operations and the operations of our suppliers, vendors and business partners, and may take further precautionary and preemptive actions as may be required by federal, state or local authorities. In addition, we have taken steps to minimize the current environment's impact

on our business and strategy, including devising contingency plans and securing additional resources from third party service providers. For the safety of our employees and families, we have introduced enhanced safety measures for scientists to be present in our labs and increased the use of third party service providers for the conduct of certain experiments and studies for research programs.

Beyond the impact on our pipeline, the extent to which the ongoing COVID-19 pandemic ultimately impacts our business, results of operations and financial condition will depend on future developments, which remain highly uncertain and cannot be predicted with confidence, such as the duration of the pandemic the emergence of new variants, new information that may emerge concerning the severity of COVID-19, its variants or the effectiveness of actions taken to contain COVID-19 or treat its impact, including vaccination campaigns, among others. If we or any of the third parties with whom we engage, however, were to experience any additional shutdowns or other prolonged business disruptions, our ability to conduct our business in the manner and on the timelines presently planned could be materially or negatively affected, which could have a material adverse impact on our business, results of operations and financial condition. Although to date, our business has not been materially impacted by the ongoing COVID-19 pandemic, it is possible that our clinical development timelines could be negatively affected by COVID-19, which could materially and adversely affect our business, financial condition and results of operations. See "Risk Factors" for a discussion of the potential adverse impact of the ongoing COVID-19 pandemic on our business, financial condition and results of operations.

Corporate History

We were initially formed as PepGen Limited on January 25, 2018, in the United Kingdom. On November 9, 2020, PepGen Limited initiated a corporate reorganization, or the Reorganization. As part of the Reorganization, PepGen Limited formed PepGen Inc., a Delaware corporation with nominal assets and liabilities, for the purpose of consummating the Reorganization. In connection with the Reorganization, the existing shareholders of PepGen Limited exchanged each of its classes of shares of PepGen Limited for the same number and class of common stock of PepGen Inc. on a one-to-one basis. The newly issued stock of PepGen Inc. had substantially identical rights to the exchanged shares of PepGen Limited. As a result of the exchange, PepGen Inc. became the sole shareholder of PepGen Limited. Upon the completion of the Reorganization on November 23, 2020, the historical financial statements of PepGen Limited became the historical financial statements of PepGen Inc. as the Reorganization was deemed to be between entities under common control. After the Reorganization was completed, PepGen Limited began the process of transferring certain operations, including financial management functions, to PepGen Inc. pursuant to intercompany services agreement, effective as of April 2021, and certain assets, including a novation of all intellectual property assets, pursuant to an asset transfer agreement, effective as of January 1, 2022. We expect that PepGen Limited will continue to transfer additional operations and assets to PepGen Inc. in 2022.

We have one additional subsidiary, PepGen Securities Corp., which was formed in November 2021 under the laws of the Commonwealth of Massachusetts.

Our principal corporate office is located at 245 Main Street, Cambridge, Massachusetts 02142, and our telephone number is (781) 797-0979. Our website address is https://pepgen.com/. We do not incorporate the information on or accessible through our website into this prospectus, and you should not consider any information on, or that can be accessed through, our website as part of this prospectus.

We own various U.S. federal trademark applications and unregistered trademarks, including our company name. All other trademarks or trade names referred to in this prospectus are the property of their respective owners. Solely for convenience, the trademarks and trade names in this prospectus are referred to without the symbols ® and ™, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto.

Implications of Being an Emerging Growth Company and a Smaller Reporting Company

We qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, as amended. As an emerging growth company, we may take advantage of specified reduced disclosure and other requirements that are otherwise applicable generally to public companies. These provisions include:

- being permitted to only disclose two years of audited financial statements in addition to any required unaudited interim financial statements with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure;
- reduced disclosure about our executive compensation arrangements;
- not being required to hold advisory votes on executive compensation or to obtain stockholder approval of any golden parachute arrangements not previously approved; and
- an exemption from the auditor attestation requirement of Section 404 of the Sarbanes-Oxley Act of 2002, as amended, in the assessment of our internal control over financial reporting.

We may take advantage of these exemptions until the fifth anniversary of our initial public offering or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company on the date that is the earliest of (i) the last day of the fiscal year in which we have total annual gross revenue of $1.07 billion or more; (ii) the last day of our fiscal year following the fifth anniversary of the date of the completion of this offering; (iii) the date on which we have issued more than $1.0 billion in nonconvertible debt during the previous three years; or (iv) the last day of the fiscal year in which we are deemed to be a large accelerated filer under the rules of the Securities and Exchange Commission, or SEC, which means the market value of our common stock that is held by non-affiliates exceeds $700.0 million as of the prior June 30th. We may choose to take advantage of some but not all of these exemptions. We have taken advantage of reduced reporting requirements in this prospectus. Accordingly, the information contained herein may be different from the information you receive from other public companies in which you hold stock. We are in the process of evaluating the benefits of relying on other exemptions and reduced reporting requirements under the JOBS Act. Subject to certain conditions, as an emerging growth company, we may rely on certain of these exemptions, including without limitation, providing an auditor's attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act.

We are also a "smaller reporting company" as defined under the Securities Act and Exchange Act. We may continue to be a smaller reporting company so long as either (i) the market value of shares of our common stock held by non-affiliates is less than $250 million or (ii) our annual revenue was less than $100 million during the most recently completed fiscal year and the market value of shares of our common stock held by non-affiliates is less than $700 million. If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company, we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and have reduced disclosure obligations regarding executive compensation, and, similar to emerging growth companies, if we are a smaller reporting company under the requirements of (ii) above, we would not be required to obtain an attestation report on internal control over financial reporting issued by our independent registered public accounting firm.

THE OFFERING

Common stock offered by us	shares.
Common stock to be outstanding immediately after this offering	shares (shares if the underwriters exercise their option to purchase additional shares in full).
Option to purchase additional shares	We have granted the underwriters an option, exercisable for 30 days after the date of this prospectus, to purchase up to additional shares from us.
Use of proceeds	We estimate that our net proceeds to us from the sale of shares of our common stock in this offering will be approximately $ million, or $ million if the underwriters exercise in full their option to purchase additional shares, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds from this offering to fund the development of our PGN-EDO51, PGN-EDODM1 and PGN-EDO53 programs, the further development of our pipeline and platform and for working capital and other general corporate purposes. See "Use of Proceeds" for additional information.
Risk factors	You should carefully read the "Risk Factors" section of this prospectus for a discussion of factors that you should consider before deciding to invest in our common stock.
Proposed Nasdaq Global Market symbol	"PEPG"

The number of shares of our common stock to be outstanding after this offering is based on 1,051,720 shares of our common stock outstanding as of December 31, 2021, of which 70,780 were shares of unvested restricted common stock, and 12,546,805 shares of our common stock issuable upon the automatic conversion of all outstanding shares of our convertible preferred stock immediately prior to the completion of this offering, and excludes:

- 35,529 shares of Series A-2 convertible preferred stock issuable upon the exercise of outstanding preferred stock warrants as of December 31, 2021, at an exercise price of $11.42 per share, which will convert into 35,529 shares of our common stock;
- 1,932,273 shares of common stock issuable upon the exercise of stock options outstanding as of December 31, 2021, at a weighted-average exercise price of $7.33 per share;
- 464,609 shares of our common stock reserved for future issuance under our existing equity incentive plans as of December 31, 2021, which will no longer be available following the effectiveness of our 2022 Plan described below;
- shares of our common stock reserved for future issuance under our 2022 Stock Option and Incentive Plan, or 2022 Plan, which will be adopted in connection with this offering; and

- shares of our common stock reserved for future issuance under our 2022 Employee Stock Purchase Plan, or ESPP, which will be adopted in connection with this offering.

Except as otherwise indicated, all information in this prospectus assumes or gives effect to:

- the re-designation of all Class A common stock into shares of common stock immediately prior to the completion of this offering;
- the conversion of all outstanding shares of our convertible preferred stock into an aggregate of 12,546,805 shares of our common stock immediately prior to the completion of this offering;
- no exercise of the outstanding options or warrants described above;
- no exercise by the underwriters of their option to purchase up to an additional shares of our common stock in this offering;
- a one-for- split of our common stock, which became effective on ; and
- the filing of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, which will occur in connection with the completion of this offering.

SUMMARY FINANCIAL DATA

You should read the following summary financial data together with our financial statements and the related notes appearing elsewhere in this prospectus and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of this prospectus. We have derived the statement of operations data for the years ended December 31, 2020 and 2021 from our audited financial statements appearing elsewhere in this prospectus. Our historical results are not necessarily indicative of results that should be expected in any future period. The summary financial data included in this section are not intended to replace the audited financial statements and the related notes included elsewhere in this prospectus and are qualified in their entirety by the financial statements and the related notes included elsewhere in this prospectus.

	Year Ended December 31,	
	2020	2021
	(in thousands, except share and per share data)	
Statement of Operations Data:		
Operating expenses:		
Research and development (including related party amounts of $152 and $945, respectively)	$ 1,024	18,999
General and administrative	853	8,110
Total operating expenses	1,877	27,109
Operating loss	(1,877)	(27,109)
Other income (expense)		
Interest income	8	—
Other income (expense), net	(20)	(172)
Total other income (expense), net	(12)	(172)
Net loss	$ (1,889)	$ (27,281)
Deemed dividend on Class A and B stock conversion	(2,188)	—
Net loss attributable to common stockholders	$ (4,077)	$ (27,281)
Net loss per share, basic and diluted	$ (4.61)	$ (29.74)
Weighted-average shares used to compute net loss per share, basic and diluted(1)	885,311	917,335
Pro forma net loss per share, basic and diluted (unaudited)(2)		$
Pro forma weighted-average shares of common stock, basic and diluted (unaudited)(2)		

(1) See Note 2 to our financial statements appearing elsewhere in this prospectus for details on the calculation of basic and diluted net loss per share.

(2) Pro forma basic and diluted net loss per share attributable to common stockholders have been prepared to give effect to the automatic conversion of all shares of preferred stock outstanding into shares of common stock as if the conversion had occurred on the later of the beginning of the period presented or the date the preferred shares were issued.

The following table sets forth summary balance sheet data as of December 31, 2021:

	As of December 31, 2021		
	Actual	Pro Forma(1) (unaudited, in thousands)	Pro Forma as Adjusted(2) (3)
Balance Sheet Data:			
Cash and cash equivalents	$132,895	$	$
Working capital(4)	129,665		
Total assets	143,641		
Total current liabilities	10,321		
Preferred stock warrant liability	226		
Convertible preferred stock	165,176		
Total accumulated deficit	(33,752)		
Total stockholders' (deficit) equity	(32,082)		

(1) On a pro forma basis to give effect to (i) the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of shares of our common stock as if such conversion had occurred as of December 31, 2021, and (ii) the filing and effectiveness of our amended and restated certificate of incorporation in connection with the completion of this offering.

(2) On a pro forma as adjusted basis to give effect to (i) the pro forma adjustments described above and (ii) our issuance and sale of shares of common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(3) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, working capital, total assets and total stockholders' (deficit) equity by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A 1.0 million share increase (decrease) in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, working capital, total assets and total stockholders' (deficit) equity by $ million, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. This information is illustrative only and will depend on the actual initial public offering price and other terms of this offering determined at pricing.

(4) We define working capital as current assets less current liabilities. See our financial statements and the related notes included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully read and consider all of the risks described below, as well as the other information in this prospectus, including our financial statements and the related notes and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations," before deciding whether to invest in our common stock. The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations and growth prospects. Unless otherwise indicated, references to our business being harmed in these risk factors will include harm to our business, reputation, financial condition, results of operations and future prospects. In such an event, the market price of our common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations and the market price of our common stock.

Risks Related to Our Financial Position and Need for Additional Capital

We have incurred significant losses since our inception, have no products approved for sale and we expect to incur losses for the foreseeable future.

Since inception, we have incurred significant operating losses. Our net losses were $1.9 million and $27.3 million for the years ended December 31, 2020 and 2021, respectively. As of December 31, 2021, we had an accumulated deficit of $33.8 million. To date, we have financed our operations primarily with the proceeds raised from the sale of our convertible preferred stock. We have devoted substantially all of our financial resources and efforts to research and development activities, business planning, establishing and maintaining our intellectual property portfolio, acquiring and developing product and technology rights, hiring personnel, leasing premises and associated capital expenditures, raising capital, and providing general and administrative support for these operations. We are still in the early stages of development of our programs and have only advanced one product candidate into clinical development. We expect to continue to incur significant expenses and operating losses for the foreseeable future. Our operating expenses and net losses may fluctuate significantly from quarter to quarter and year to year. We anticipate that our expenses will increase substantially if and as we:

- complete preclinical activities for our programs in DMD and DM1 and advance them into and through clinical development;
- advance any additional product candidates we identify through our research programs into IND- or CTA-enabling studies and clinical trials following regulatory clearance to commence clinical research;
- continue to develop and expand the capabilities of our proprietary EDO platform;
- seek marketing approvals for any product candidates that successfully complete clinical trials;
- obtain, expand, maintain, defend and enforce our intellectual property portfolio;
- hire additional clinical, regulatory and scientific personnel;
- establish manufacturing sources for our product candidates and secure supply chain capacity to provide sufficient quantities for preclinical and clinical development and commercial supply;
- ultimately establish a sales, marketing and distribution infrastructure to commercialize any products for which we may obtain marketing approval; and

- add operational, legal, compliance, financial and management information systems and personnel to support our research, product development and future commercialization efforts, as well as to support our operations as a public company.

Even if we obtain regulatory approval of, and are successful in commercializing, one or more of our product candidates, we will continue to incur substantial research and development and other costs to develop and market additional product candidates. We may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect our business. The size of our future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenue.

We have never generated revenue from product sales and may never achieve or maintain profitability.

While we have recently obtained authorization for our first CTA and initiated our first clinical trial, we have not completed any clinical trials for our product candidates. We expect that it will be many years, if ever, before we have a product candidate ready for commercialization. To become and remain profitable, we must succeed in developing, obtaining the necessary regulatory approvals for and eventually commercializing a product or products that generate significant revenue. The ability to achieve this success will require us to be effective in a range of challenging activities, including:

- identifying product candidates and completing preclinical development of our product candidates;
- obtaining regulatory authorization to commence clinical trials and initiating and successfully completing such trials;
- obtaining marketing approval for our product candidates;
- manufacturing (or securing third-party manufacturers to manufacture), marketing and selling any products for which we may obtain regulatory approval;
- achieving market acceptance of any products for which we obtain regulatory approval as a viable treatment option; and
- satisfying any post-marketing requirements.

We are only in the preliminary stages of most of these activities. We may never succeed in these activities and, even if we do, may never generate revenues that are significant enough to achieve profitability. We are currently only in Phase 1 of clinical development for our first product candidate. Because of the numerous risks and uncertainties associated with product development, we are unable to accurately estimate or know the nature, timing or costs of the efforts that will be necessary to complete the preclinical and clinical development and commercialization of our product candidates or when, or if, we will be able to generate revenues or achieve profitability.

If we are successful in obtaining regulatory approval to market one or more of our product candidates, our revenue will be dependent, in part, upon the size of the markets in the territories for which we gain regulatory approval, the accepted price for the product, the ability to obtain coverage and reimbursement, and whether we own the commercial rights for that territory. If the number of our addressable patients is not as significant as we estimate, the indication approved by regulatory authorities is narrower than we expect, or the treatment population is narrowed by competition, physician choice or treatment guidelines, we may not generate significant revenue from sales of such products, even if approved.

Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable could impair our ability to raise capital, maintain our research and development efforts, expand our business or even continue our operations. A decline in the value of our company could also cause you to lose all or part of your investment.

Even if we consummate this offering, we will need substantial additional funding. If we are unable to raise capital when needed, we could be forced to delay, scale back or discontinue our product development programs or future commercialization efforts.

We expect our expenses to increase substantially in connection with our ongoing activities, particularly as we identify, continue the research and development of, continue preclinical testing and initiate clinical trials of, arrange for the manufacturing of, and potentially seek marketing approval for any product candidates that successfully completes clinical testing. In addition, if we obtain marketing approval for any product candidate, we expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. Furthermore, we expect to continue to incur additional costs associated with operating as a public company. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. If we are unable to raise capital when needed, on attractive terms or at all, we may be forced to delay, reduce or eliminate our research and development programs or future commercialization efforts.

As of December 31, 2021, we had cash and cash equivalents of $132.9 million. In July 2021, we raised aggregate gross proceeds of $21.0 million from the final milestone closing of our Series A-2 convertible preferred stock and, additionally, in July 2021, we raised aggregate gross proceeds of $112.5 million from the private placement of our Series B convertible preferred stock. We believe that the net proceeds from this offering, together with our existing cash and cash equivalents, will enable us to fund our operating expenses and capital expenditure requirements into . However, we have based this estimate on assumptions that may prove to be wrong, and our operating plan may change as a result of many factors currently unknown to us. As a result, we could deplete our capital resources sooner than we currently expect and could be forced to seek additional funding sooner than planned.

Our future capital requirements will depend on many factors, including:

- the scope, progress, costs and results of preclinical and clinical development for our product candidates;
- the scope, costs, timing and outcome of regulatory review of our product candidates;
- the cost and timing of manufacturing activities;
- the identification of additional research programs and product candidates;
- the costs and scope of the continued development of our EDO platform;
- the costs and timing of preparing, filing and prosecuting applications for patents, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims, including claims of infringement, misappropriation or other violations of third-party intellectual property;
- the costs and timing of future commercialization activities, including product manufacturing, marketing, sales and distribution, for any product candidate that receives marketing approval;
- the costs of satisfying any post-marketing requirements;
- the revenue, if any, received from commercial sales of our product candidates if marketing approval is received;
- the costs of operational, financial and management information systems and associated personnel;

- the associated costs in connection with any acquisition of in-licensed products, intellectual property and technologies; and
- the costs of operating as a public company.

Identifying potential product candidates and conducting preclinical testing and clinical trials is a time-consuming, expensive and uncertain process that takes years to complete, and we may never generate the necessary data or results required to obtain marketing approval and achieve product sales. In addition, even if we successfully develop product candidates and those are approved, we may not achieve commercial success. Our commercial revenues, if any, may not be sufficient to sustain our operations. Accordingly, we will need to continue to rely on additional financing to achieve our business objectives. Adequate additional financing may not be available to us on acceptable terms, or at all.

Any additional fundraising efforts may divert our management from their day-to-day activities, which may adversely affect our operations. We cannot be certain that additional funding will be available on acceptable terms, when needed or at all. We have no committed source of additional capital and, if we are unable to raise additional capital in sufficient amounts, when needed or on terms acceptable to us, we may be required to significantly curtail, delay or discontinue one or more of our research or development programs or the commercialization of any product candidate, or be unable to expand our operations or otherwise capitalize on our business opportunities, as desired, which could materially affect our business, financial condition and results of operations. We could be required to seek collaborators for product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available or relinquish or license on unfavorable terms our rights to product candidates in markets where we otherwise would seek to pursue development or commercialization ourselves. Any of the above events could significantly harm our business, prospects, financial condition and results of operations and cause the price of our common stock to decline.

Our limited operating history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.

We commenced operations in 2018, have no products approved for commercial sale and have not generated any revenue from product sales. To date, our operations have been limited to organizing and staffing our company, business planning, executing collaborations, raising capital, licensing, conducting research activities, conducting preclinical studies of our programs, filing and prosecuting patent applications and providing general and administrative support for these operations. All of our research programs are still in the research or preclinical stage of development, and their risk of failure is high. We have not yet demonstrated our ability to successfully complete any clinical trials, obtain marketing approvals, manufacture product on a commercial scale or arrange for a third party to do so on our behalf, or conduct sales, marketing and distribution activities necessary for successful product commercialization. Consequently, any predictions you make about our future success or viability may not be as accurate as they could be if we had a longer operating history or a history of successfully developing and commercializing products.

Our limited operating history may make it difficult to evaluate our technology and industry and predict our future performance. Our limited history as an operating company makes any assessment of our future success or viability subject to significant uncertainty. We will encounter risks and difficulties frequently experienced by early-stage companies in rapidly evolving fields. If we do not address these risks successfully, our business will suffer.

In addition, as our business grows, we may encounter unforeseen expenses, restrictions, difficulties, complications, delays and other known and unknown factors. We will need to transition at some point from a company with a research focus to a company capable of conducting development activities and then to a company supporting commercial activities. We may not be successful in such transitions. If we do not adequately address these risks and difficulties or successfully make such a transition, it could have a material adverse impact on our business.

Risks Related to Discovery, Development, Preclinical and Clinical Testing

We are very early in our development efforts. We have only advanced one product candidate into clinical development, and as a result it will be years before we commercialize a product candidate, if ever. If we are unable to advance our product candidates through preclinical studies and clinical trials, obtain marketing approval and ultimately commercialize them, or experience significant delays in doing so, our business will be materially harmed.

We are very early in our development efforts and have invested our research efforts to date in developing our EDO platform. We have a portfolio of research programs and are in the early stages of developing five product candidates—PGN-EDO51, PGN-EDODM1, PGN-EDO53, PGN-EDO45 and PGN-EDO44. We have completed CTA-enabling activities for our first product candidate, PGN-EDO51, and advanced this product candidate into a Phase 1 clinical trial; however, we have not completed IND- or CTA-enabling activities for any of our other product candidates or advanced any of our other product candidates into clinical trials. Our ability to generate product revenue, which we do not expect will occur for many years, if ever, will depend heavily on the successful clinical development and eventual commercialization of our product candidates, which may never occur. We currently generate no revenue from sales of any product, and we may never be able to develop or commercialize a marketable product.

Commencing clinical trials in the United States is subject to authorization by the U.S. Food and Drug Administration, or FDA, of an IND and finalizing the trial design based on discussions with the FDA and other regulatory authorities. In the event that the FDA requires us to complete additional preclinical studies or we are required to satisfy other FDA requests prior to commencing clinical trials, the start of our first clinical trials may be delayed. Even after we receive and incorporate guidance from these regulatory authorities, the FDA or other regulatory authorities could disagree that we have satisfied their requirements to commence any clinical trial or change their position on the acceptability of our trial design or the clinical endpoints selected, which may require us to complete additional preclinical studies or clinical trials or impose stricter approval conditions than we currently expect. There are equivalent processes and risks applicable to CTAs in other countries, including countries in the European Union.

Commercialization of our product candidates will require preclinical and clinical development; regulatory approval; manufacturing supply, capacity and expertise; a commercial organization; and significant marketing efforts. The success of our product candidates will depend on many factors, including the following:

- timely and successful completion of preclinical studies, including toxicology studies, biodistribution studies and minimally efficacious dose studies in animals, where applicable;
- regulatory authorization to initiate clinical trials under INDs, CTAs or comparable foreign applications that allow commencement of our planned clinical trials or future clinical trials for our product candidates;
- successful initiation, enrollment and completion of clinical trials, including under the FDA's Good Clinical Practices, or GCPs, Good Laboratory Practices, or GLPs, and any additional regulatory requirements from foreign regulatory authorities;
- positive results from our clinical trials that support a finding of safety and effectiveness and an acceptable risk-benefit profile in the intended populations to the satisfaction of the applicable regulatory authorities;
- receipt of marketing approvals from applicable regulatory authorities, including the completion of any required post-marketing studies or trials;
- establishment of arrangements through our own facilities or with third-party manufacturers for clinical supply and, where applicable, commercial manufacturing capabilities;

- establishment, maintenance, defense and enforcement of patent, trademark, trade secret and other intellectual property protection or regulatory exclusivity for our product candidates;
- commercial launch of our product candidates, if approved, whether alone or in collaboration with others;
- acceptance of the benefits and use of our product candidates, including method of administration, if and when approved, by patients, the medical community and third-party payors;
- effective competition with other therapies;
- maintenance of a continued acceptable safety, tolerability and efficacy profile of our product candidates following marketing approval, including acceptable results from any post-approval studies or clinical trials agreed to by us or required by FDA or other regulatory authorities; and
- establishment and maintenance of healthcare coverage and adequate reimbursement by payors.

Many of these factors are beyond our control and if we do not succeed in one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully commercialize any product candidates, which would materially harm our business. If we are unable to advance our product candidates to clinical development, obtain regulatory approval and ultimately commercialize our product candidates, or experience significant delays in doing so, our business will be materially harmed.

Drug development is a lengthy and expensive process, and preclinical and clinical testing is uncertain as to the outcome. We may encounter substantial delays in the commencement, enrollment or completion of our clinical trials and may never advance to clinical trials, or we may fail to demonstrate safety and effectiveness to the satisfaction of applicable regulatory authorities, which could prevent us from advancing or commercializing our product candidates on a timely basis, if at all.

The risk of failure in developing product candidates is high. It is impossible to predict when or if any product candidate would prove effective or safe in humans or will receive regulatory approval. Before obtaining marketing approval from regulatory authorities for the sale of any product candidate, we must complete preclinical development, obtain regulatory authorization to commence clinical trials, and then conduct extensive clinical trials to demonstrate the safety and efficacy of product candidates in humans. To date, we have not yet completed a clinical trial of any product candidate.

Clinical trials may fail to demonstrate that our product candidates are safe for humans and effective for indicated uses. Even if the clinical trials are successful, changes in marketing approval policies during the development period, changes in or the enactment or promulgation of additional statutes, regulations or guidance or changes in regulatory review for each submitted product application may cause delays in the approval or rejection of an application.

Before we can commence clinical trials for a product candidate, we must complete extensive preclinical testing and studies that support clearance of our INDs, CTAs and other similar regulatory filings. We have submitted a CTA, which has been authorized in Canada, for our first product candidate only and cannot be certain whether regulatory authorities will authorize our proposed clinical program or if the outcome of our preclinical studies will ultimately support further development of our other product candidates or other future programs. Although our lead product candidate is currently in clinical development, we cannot be certain of the completion or outcome of our preclinical testing and studies for our other product candidates and cannot predict whether the FDA, EMA or comparable foreign regulatory authorities will accept our proposed clinical programs or whether the outcome of our preclinical testing and studies will ultimately support the further development of our other product candidates. Conducting preclinical testing is a lengthy, time-consuming and expensive process. The length of time may vary substantially according to the type, complexity and novelty of the program, and

often can be several years or more per program. In addition, the progress and timing of our preclinical studies, including pharmacology and toxicology studies, may be impacted by the limited supply of NHPs needed for such studies. As a result, we cannot be sure that we will be able to submit INDs, CTAs and other similar regulatory filings for our preclinical programs on the timelines we expect, if at all, and we cannot be sure that submission of such regulatory filings will result in the FDA, European Medicines Agency, or EMA, or comparable foreign regulatory authorities allowing clinical trials to begin.

Furthermore, product candidates are subject to continued preclinical safety studies, which may be conducted concurrently with our clinical testing. The outcomes of these safety studies may delay the launch of or enrollment in clinical trials and could impact our ability to continue to conduct our clinical trials.

Clinical testing is expensive, is difficult to design and implement, can take many years to complete and is uncertain as to outcome. We cannot guarantee that any clinical trials will be conducted as planned or completed on schedule, or at all. A failure of one or more clinical trials can occur at any stage of testing, which may result from a multitude of factors, including, but not limited to, flaws in trial design, dose selection issues, patient enrollment criteria and failure to demonstrate favorable safety or efficacy traits.

Other events that may prevent successful or timely completion of clinical development include:

- delays in reaching a consensus with regulatory authorities on trial design;
- delays in reaching agreement on acceptable terms with prospective clinical research organizations, or CROs, and clinical trial sites;
- delays in opening clinical trial sites or obtaining required institutional review board, or IRB, or independent ethics committee approval, or the equivalent review groups for sites outside the United States, at each clinical trial site;
- imposition of a clinical hold by regulatory authorities as a result of a serious adverse event or manufacturing concerns or after an inspection of our clinical trial operations or trial sites;
- negative or inconclusive results observed in clinical trials, including failure to demonstrate statistical significance, which could lead us, or cause regulators to require us, to conduct additional clinical trials or abandon product development programs;
- failure by us, any CROs we engage or any other third parties to adhere to clinical trial requirements;
- failure to perform in accordance with the FDA's GCPs;
- failure by physicians to adhere to delivery protocols leading to variable results;
- delays in the testing, validation, manufacturing and delivery of our product candidates to the clinical sites, including delays by third parties with whom we have contracted to perform certain of those functions;
- failure of our third-party contractors to comply with regulatory requirements or to meet their contractual obligations to us in a timely manner, or at all;
- inability to recruit patients to participate in a clinical trial, including as a result of competition with other pharmaceutical and biotechnology companies and the patient population size for our product candidates;
- delays in having patients complete participation in a clinical trial or return for post-treatment follow-up;
- clinical trial sites or patients dropping out of a trial;

- selection of clinical endpoints that require prolonged periods of clinical observation or analysis of the resulting data;
- occurrence of serious adverse events associated with the product candidate that are viewed to outweigh its potential benefits;
- occurrence of serious adverse events associated with a product candidate in development by another company, which are viewed to outweigh its potential benefits, and which may negatively impact the perception of our product due to a similarity in technology or approach;
- changes in regulatory requirements and guidance that require amending or submitting new clinical protocols;
- changes in the legal or regulatory regimes domestically or internationally related to patient rights and privacy; or
- lack of adequate funding to continue the clinical trial.

Clinical trials must be conducted in accordance with the FDA and other applicable regulatory authorities' legal requirements, regulations or guidelines, and are subject to oversight by these governmental agencies and IRBs or ethics committees at the medical institutions where the clinical trials are conducted. We could encounter delays if a clinical trial is suspended or terminated by us, by the data safety monitoring board for such trial or by the FDA or any other regulatory authority, or if the IRBs of the institutions in which such trials are being conducted suspend or terminate the participation of their clinical investigators and sites subject to their review. Such authorities may suspend or terminate a clinical trial due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a product candidate, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial.

In addition, disruptions caused by the ongoing COVID-19 pandemic may increase the likelihood that we encounter such difficulties or delays in initiating, enrolling, conducting or completing our planned and ongoing clinical trials.

Moreover, principal investigators for our clinical trials may serve as scientific advisors or consultants to us from time to time and receive compensation in connection with such services. Under certain circumstances, we may be required to report some of these relationships to the FDA or comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authority may conclude that a financial relationship between us and a principal investigator has created a conflict of interest or otherwise affected interpretation of the trial. The FDA or comparable foreign regulatory authority may therefore question the integrity of the data generated at the applicable clinical trial site and the utility of the clinical trial itself may be jeopardized. This could result in a delay in approval, or rejection, of our marketing applications by the FDA or comparable foreign regulatory authority, as the case may be, and may ultimately lead to the denial of marketing approval of our product candidates.

Any inability to successfully complete preclinical studies and clinical trials could result in additional costs to us or impair our ability to generate revenues from product sales, regulatory and commercialization milestones and royalties. In addition, if we make manufacturing or formulation changes to our product candidates, we may need to conduct additional studies to bridge our modified product candidates to earlier versions. Clinical trial delays also could shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before we do, which could impair our ability to successfully commercialize our product candidates and may harm our business, financial condition, results of operations and prospects.

Further, conducting clinical trials in foreign countries, as we plan to do for our product candidates, presents additional risks that may delay completion of our clinical trials. These risks include the failure of enrolled patients in foreign countries to adhere to clinical protocol as a result of differences in healthcare services or cultural customs, managing additional administrative burdens associated with foreign regulatory schemes, as well as political and economic risks relevant to such foreign countries.

Additionally, if the results of clinical trials are inconclusive or if there are safety concerns or serious adverse events associated with our product candidates, we may:

- be delayed in obtaining marketing approval for product candidates, if at all;
- obtain approval for indications or patient populations that are not as broad as intended or desired;
- obtain approval with labeling that includes significant use or distribution restrictions or safety warnings;
- be subject to changes in the way the product is administered;
- be required to perform additional clinical trials to support approval or be subject to additional post-marketing testing requirements;
- have regulatory authorities withdraw, or suspend, their approval of the product or impose restrictions on its distribution in the form of a modified risk evaluation and mitigation strategy, or REMS;
- be subject to the addition of labeling statements, such as warnings or contraindications;
- be sued; or
- experience damage to our reputation.

In particular, each of the conditions for which we plan to develop product candidates are rare genetic diseases with limited patient pools from which to draw for clinical trials. Further, because it can be difficult to diagnose these diseases in the absence of a genetic screen, we may have difficulty finding patients who are eligible to participate in our studies. The eligibility criteria of our clinical trials will further limit the pool of available study participants. Additionally, the process of finding and diagnosing patients may prove costly. The treating physicians in our clinical trials may also use their medical discretion in advising patients enrolled in our clinical trials to withdraw from our studies to try alternative therapies.

Our approach to the discovery and development of product candidates based on our EDO platform is unproven, and we may not be successful in our efforts to identify, discover or develop potential product candidates.

The success of our business depends upon our ability to identify, develop and commercialize products based on our proprietary EDO platform. Our current product candidates that have been developed through our EDO platform are disease-modifying peptide-conjugated oligonucleotides designed to treat a variety of degenerative neuromuscular diseases.

Our lead product candidate is currently in clinical-stage development, while our other product candidates are still in the research or preclinical stage of development and our approach to treating muscle disease is unproven. Our research programs may fail to identify potential product candidates for clinical development for a number of reasons. Our research methodology may be unsuccessful in identifying potential

product candidates and our potential product candidates may be shown to have harmful side effects in preclinical *in vitro* experiments or *in vivo* animal model studies. In addition, our potential product candidates may not show promising signals of therapeutic effect in such experiments, studies or they may have other characteristics that may make the product candidates impractical to manufacture, unmarketable or unlikely to receive marketing approval. Further, because all of our development programs are based on our EDO platform, adverse developments with respect to one of our programs may have a significant adverse impact on the actual or perceived likelihood of success and value of our other programs.

We have advanced our lead product candidate, PGN-EDO51, into the clinic, but have not yet advanced any other product candidates into clinical development. Although we are advancing our initial programs in DMD and DM1, our EDO platform may fail to yield additional product candidates for clinical development for a number of reasons, including those discussed in these risk factors. In addition:

- we may not be able to assemble sufficient resources to acquire or discover product candidates;
- competitors may develop alternatives that render our potential product candidates obsolete or less attractive;
- potential product candidates we develop may nevertheless be covered by third parties' patents or other intellectual property rights;
- potential product candidates may, on further study, be shown to have harmful side effects, toxicities or other characteristics that indicate that they are unlikely to be products that will receive marketing approval and achieve market acceptance;
- potential product candidates may not be effective in treating their targeted diseases or disorders;
- the market for a potential product candidate may change so that the continued development of that product candidate is no longer reasonable;
- a potential product candidate may not be capable of being produced in commercial quantities at an acceptable cost, or at all; or
- the regulatory pathway for a potential product candidate may be too complex and difficult to navigate successfully or economically.

If we are unable to identify and discover suitable product candidates for clinical development, this would adversely impact our business strategy and our financial position and share price and could potentially cause us to cease operations.

The outcome of preclinical studies and earlier-stage clinical trials may not be predictive of future results or the success of later preclinical studies and clinical trials.

We are in the early stages of our programs and have successfully completed CTA-enabling activities and initiated a clinical trial in Canada for our lead product candidate, but have not completed IND- or CTA-enabling activities for our other product candidates or advanced any other product candidates into clinical development. As a result, our belief in the capabilities of our platform is based on early research and preclinical studies, as our first clinical topline readout is anticipated by the end of 2022. However, the results of preclinical studies may not be predictive of the results of later preclinical studies or clinical trials, and the results of any early-stage clinical trials may not be predictive of the results of later clinical trials. In addition, initial success in clinical trials may not be indicative of results obtained when such trials are completed. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed

their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval of their products. Our clinical trials may not ultimately be successful or support further clinical development of our product candidates. There is a high failure rate for product candidates proceeding through clinical trials. A number of companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in clinical development even after achieving encouraging results in earlier studies. Any such setbacks in our clinical development could materially harm our business and results of operations.

If we experience delays or difficulties in the enrollment of patients in clinical trials, our ability to complete clinical trials may be adversely impacted.

Identifying and qualifying patients to participate in clinical trials of our product candidates is critical to our success. We may not be able to identify, recruit and enroll a sufficient number of patients, or those with required or desired characteristics, to complete our clinical trials in a timely manner. Patient enrollment and trial completion is affected by factors including:

- perceived risks and benefits of novel unproven approaches;
- size of the patient population, in particular for rare diseases such as the diseases on which we are initially focused, and process for identifying patients;
- design of the trial protocol;
- eligibility and exclusion criteria;
- perceived risks and benefits of the product candidate under study;
- availability of competing therapies and clinical trials;
- severity of the disease or disorder under investigation;
- proximity and availability of clinical trial sites for prospective patients;
- ability to obtain and maintain patient consent;
- risk that enrolled patients will drop out before completion of the trial;
- ability to recruit clinical trial investigators of appropriate competencies and experience;
- patient referral practices of physicians;
- ability to monitor patients adequately during and after treatment; and
- other factors outside of our control, such as the ongoing COVID-19 pandemic.

Our inability to enroll a sufficient number of patients for clinical trials would result in significant delays and could require us to abandon one or more clinical trials altogether. Enrollment delays in these clinical trials may result in increased development costs for our product candidates, which would cause the value of our company to decline and limit our ability to obtain additional financing. Furthermore, we rely on and expect to continue to rely on CROs and clinical trial sites to ensure the proper and timely conduct of our clinical trials and we will have limited influence over their performance.

Even if we are able to enroll a sufficient number of patients for our clinical trials, we may have difficulty maintaining patients in our clinical trials. Many of the patients who end up receiving placebo may

perceive that they are not receiving the product candidate being tested, and they may decide to withdraw from our clinical trials to pursue other alternative therapies rather than continue the trial with the perception that they are receiving placebo. If we have difficulty enrolling or maintaining a sufficient number of patients to conduct our clinical trials, we may need to delay, limit or terminate clinical trials, any of which would harm our business, financial condition, results of operations and prospects.

Interim, initial, "topline", and preliminary data from our preclinical studies or clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we may publicly disclose preliminary or topline data from our preclinical studies and clinical trials, which is based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the topline or preliminary results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Topline data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, topline data should be viewed with caution until the final data are available.

From time to time, we may also disclose interim data from our preclinical studies and clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available or as patients from our clinical trials continue other treatments for their disease. Adverse differences between preliminary or interim data and final data could significantly harm our business prospects. Further, disclosure of interim data could result in volatility in the price of our common stock.

Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular product candidate or product and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure.

If the interim, topline, or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our product candidates may be harmed, which could harm our business, operating results, prospects or financial condition.

We may attempt to secure approval from the FDA or comparable foreign regulatory authorities through the use of accelerated approval pathways. If we are unable to obtain such approval, we may be required to conduct additional clinical trials beyond those that we contemplate, which could increase the expense of obtaining, and delay the receipt of, necessary marketing approvals. Even if we receive accelerated approval from the FDA or comparable foreign regulatory authorities, if our confirmatory trials do not verify clinical benefit, or if we do not comply with rigorous post-marketing requirements, the FDA or comparable foreign regulatory authorities may seek to withdraw accelerated approval.

We may in the future seek an accelerated approval for our one or more of our product candidates. Under the accelerated approval program, the FDA may grant accelerated approval to a product candidate designed to treat a serious or life-threatening condition that provides meaningful therapeutic benefit over available therapies upon a determination that the product candidate has an effect on a surrogate endpoint or intermediate clinical

endpoint that is reasonably likely to predict clinical benefit. The FDA considers a clinical benefit to be a positive therapeutic effect that is clinically meaningful in the context of a given disease, such as irreversible morbidity or mortality. For the purposes of accelerated approval, a surrogate endpoint is a marker, such as a laboratory measurement, radiographic image, physical sign, or other measure that is thought to predict clinical benefit, but is not itself a measure of clinical benefit. An intermediate clinical endpoint is a clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit. The accelerated approval pathway may be used in cases in which the advantage of a new drug over available therapy may not be a direct therapeutic advantage, but is a clinically important improvement from a patient and public health perspective. If granted, accelerated approval is usually contingent on the sponsor's agreement to conduct, in a diligent manner, additional post-approval confirmatory studies to verify and describe the product's clinical benefit. If such post-approval studies fail to confirm the product's clinical benefit, the FDA may withdraw its approval. In addition, the FDA currently requires, unless otherwise informed by the agency, pre-approval of promotional materials for products receiving accelerated approval, which could adversely impact the timing of the commercial launch of the product.

In the European Union, or EU, under the centralized procedure, the European Medicines Agency's Committee for Medicinal Products for Human Use may perform an accelerated assessment of a marketing authorization application. Applicants requesting an accelerated assessment procedure must justify that the product candidate is expected to be of major public health interest, particularly from the point of view of therapeutic innovation. Prior to seeking accelerated approval for any of our product candidates, we intend to seek feedback from the FDA or similar foreign regulatory authorities and will otherwise evaluate our ability to seek and receive accelerated approval. There can be no assurance that after our evaluation of the feedback and other factors we will decide to pursue or submit an NDA or similar application for accelerated approval or any other form of expedited development or review. Similarly, there can be no assurance that after subsequent FDA or similar foreign regulatory authorities feedback we will continue to pursue or apply for accelerated approval or any other form of expedited development or review, even if we initially decide to do so. Furthermore, if we decide to submit an application for accelerated approval or other expedited development or review for our product candidates, there can be no assurance that such submission or application will be accepted or that any expedited development or review will be granted on a timely basis, or at all. The FDA or other comparable foreign regulatory authorities could also require us to conduct further studies prior to considering our application or granting approval of any type. A failure to obtain accelerated approval or any other form of expedited development or review for our product candidate would result in a longer time period to commercialization of such product candidate, if any, could increase the cost of development of such product candidate, and could harm our competitive position in the marketplace.

If any of our product candidates cause undesirable side effects or have other unexpected adverse properties, such side effects or properties could delay or prevent the initiation or completion of clinical trials regulatory approval, limit the commercial potential or result in significant negative consequences following any potential marketing approval.

We have not completed the evaluation of any product candidates in human clinical trials. It is impossible to predict when or if any of our product candidates will prove safe in humans. There can be no assurance that our technologies will not cause undesirable side effects. For example, in preclinical toxicology studies in normal NHPs, we observed transient, clinical signs of hypotension in some animals treated at a dose level higher than that which we intend to evaluate in the clinic. Based on published data and other publicly-available information, such adverse events are consistent with the types of events reported with oligonucleotides in general.

Although other oligonucleotide therapeutics have received regulatory approval, ours is a novel approach to oligonucleotide therapy. As a result, there is uncertainty as to the safety profile of our product candidates compared to more well-established classes of therapies, or oligonucleotide therapeutics on their own. Moreover, there have been only a limited number of clinical trials involving the use of conjugated oligonucleotide therapeutics and only one ongoing trial involving the proprietary technology used in our EDO platform.

Results of our current and planned clinical trials could reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics. If any product candidates we develop are associated with serious adverse events, undesirable side effects or unexpected characteristics, we may need to abandon their development or limit development to certain uses or subpopulations in which the serious adverse events, undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective, any of which would have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, regulatory authorities may draw different conclusions, require additional testing to confirm these determinations, require more restrictive labeling or deny regulatory approval of the product candidate. Many product candidates that initially showed promise in early-stage testing have later been found to cause side effects that prevented further clinical development of the product candidates.

It is possible that, as we test our product candidates in larger, longer and more extensive clinical trials, including with different dosing regimens, or as the use of our product candidates becomes more widespread following any regulatory approval, illnesses, injuries, discomforts and other adverse events that were observed in earlier trials, as well as conditions that did not occur or went undetected in previous trials, will be reported by patients. If such side effects become known later in development or upon approval, if any, such findings may harm our business, financial condition, results of operations and prospects significantly.

In addition, if our product candidates receive marketing approval, and we or others later identify undesirable side effects caused by treatment with such drug, a number of potentially significant negative consequences could result, including:

- regulatory authorities may suspend, limit or withdraw approvals of such product, or seek an injunction against its manufacture or distribution;
- we may be required to recall a product or change the way the drug is administered to patients;
- regulatory authorities may require additional warnings in the labeling, such as a contraindication or a boxed warning, or issue safety alerts, Dear Healthcare Provider letters, press releases or other communications containing warnings or other safety information about the product;
- we may be required to change the way the product is administered or conduct additional clinical trials or post-approval studies;
- we may be required to implement a REMS, or create a medication guide outlining the risks of such side effects for distribution to patients;
- additional restrictions may be imposed on the marketing or promotion of the particular product or the manufacturing processes for the product or any component thereof;
- we may be subject to fines, injunctions or the imposition of criminal penalties;
- we could be sued and held liable for harm caused to patients;
- the drug could become less competitive; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of our lead product candidate or our other product candidates, if approved, and could significantly harm our business, financial condition, results of operations and prospects.

We may expend our limited resources to pursue a particular program, product candidate or indication and fail to capitalize on programs, product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we focus on research programs and expect to focus on product candidates that we identify for specific indications among many potential options. As a result, we may forego or delay pursuit of opportunities with other product candidates or for other indications that later prove to have greater commercial potential, or we may choose to focus our efforts and resources on a potential product candidate that ultimately proves to be unsuccessful. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs and product candidates for specific indications may not yield any commercially viable medicines. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate. Any such event could have a material adverse effect on our business, financial condition, results of operations and prospects.

The increasing use of social media platforms presents new risks and challenges.

Social media is increasingly being used to communicate about pharmaceutical companies' clinical development activities, and we intend to utilize appropriate social media in connection with our development efforts. Additionally, patients may use social media channels to comment on their experience in an ongoing blinded clinical trial or to report an alleged adverse event. If such disclosures occur in the future once we commence our first clinical trials, there is a risk that trial enrollment may be adversely impacted, that we may fail to monitor and comply with applicable adverse event reporting obligations or that we may not be able to defend our business or the public's legitimate interests in the face of the political and market pressures generated by social media due to restrictions on what we may say about our product candidates. There is also a risk of inappropriate disclosure of sensitive or confidential information or negative or inaccurate posts or comments about us on any social networking website. In addition, we may encounter attacks on social media regarding our company, management or our product candidates. If any of these events were to occur or we otherwise fail to comply with applicable regulations, we could incur liability, face regulatory actions or incur other harm to our business.

Clinical trial and product liability lawsuits against us could divert our resources, could cause us to incur substantial liabilities and could limit commercialization of our product candidates.

We will face an inherent risk of clinical trial and product liability exposure related to the testing of product candidates that proceed to clinical trials, and we will face an even greater risk if we commercially sell any products that receive marketing approval. While we currently have only one product candidate in clinical development and none that have been approved for commercial sale, the future use of product candidates by us in clinical trials, and the sale of any approved products in the future, may expose us to liability claims. These claims might be made by patients that use the product, healthcare providers, pharmaceutical companies or others selling such products. If we cannot successfully defend ourselves against claims that our product candidates or products caused injuries, we will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for our product candidates;
- injury to our reputation and significant negative media attention;
- withdrawal of clinical trial participants;
- significant costs to defend any related litigation;

- substantial monetary awards to trial participants or patients;
- loss of revenue;
- reduced resources of our management to pursue our business strategy; and
- the inability to commercialize our product candidates.

We have insurance coverage in place that we believe to be appropriate for our current phase of clinical development, but we may need to further increase this coverage for subsequent clinical trials, or if we commence commercialization of any product candidates. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise. If a successful clinical trial or product liability claim or series of claims is brought against us for uninsured liabilities or in excess of insured liabilities, our assets may not be sufficient to cover such claims and our business operations could be impaired.

We intend to conduct certain of our clinical trials for our product candidates outside of the United States. However, the FDA and comparable foreign regulatory authorities may not accept data from such trials, in which case our development plans will be delayed, which could materially harm our business.

We are conducting our first clinical trial in Canada, and we intend to conduct one or more of our subsequent clinical trials for our product candidates outside the United States. Although the FDA may accept data from clinical trials conducted outside the United States, acceptance of this data is subject to certain conditions imposed by the FDA. Where data from foreign clinical trials are intended to serve as the basis for marketing approval in the United States, the FDA will not approve the application on the basis of foreign data alone unless those data are applicable to the U.S. population and U.S. medical practice; the studies were performed by clinical investigators of recognized competence; and the data are considered valid without the need for an on-site inspection by the FDA or, if the FDA considers such an inspection to be necessary, the FDA is able to validate the data through an on-site inspection or other appropriate means. For studies that are conducted only at sites outside of the United States and not subject to an IND, the FDA generally does not provide advance comment on the clinical protocols for the studies, and therefore there is an additional potential risk that the FDA could determine that the study design or protocol for a non-U.S. clinical trial was inadequate, which could require us to conduct additional clinical trials. In addition, even where the foreign study data are not intended to serve as the sole basis for approval, the FDA will not accept the data as support for an application for marketing approval unless the study is well-designed and well-conducted in accordance with GCP and the FDA is able to validate the data from the study through an onsite inspection if deemed necessary. Many foreign regulatory authorities have similar approval requirements. There can be no assurance the FDA will accept data from clinical trials conducted outside of the United States. If the FDA does not accept data from our clinical trials of our product candidates, it would likely result in the need for additional clinical trials, which would be costly and time consuming and delay or permanently halt our development of our product candidates.

Conducting clinical trials outside the United States also exposes us to additional risks, including risks associated with:

- additional foreign regulatory requirements;
- foreign exchange fluctuations;
- compliance with foreign manufacturing, customs, shipment and storage requirements;
- cultural differences in medical practice and clinical research; and
- diminished protection of intellectual property in some countries.

Risks Related to Our Dependence on Third Parties

We rely, and expect to continue to rely, on third parties to conduct some or all aspects of our product manufacturing, research and preclinical and clinical testing, and these third parties may not perform satisfactorily.

We do not expect to independently conduct all aspects of our product manufacturing, research and preclinical and clinical testing. We currently rely, and expect to continue to rely, on third parties with respect to many of these items, including contract manufacturing organizations, or CMOs, for the manufacturing of any product candidates we test in preclinical or clinical development, as well as CROs for the conduct of our animal testing and research for the conduct of our current and planned clinical trials. Any of these third parties may terminate their engagements with us at any time. If we need to enter into alternative arrangements, it could delay our product development activities.

Our reliance on these third parties for research and development activities will reduce our control over these activities but will not relieve us of our responsibility to ensure compliance with all required regulations and study protocols. For example, we will remain responsible for ensuring that each of our IND- and CTA-enabling studies and clinical trials are conducted in accordance with the study plan and protocols. Moreover, the FDA requires us to comply with GCPs for conducting, recording and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity and confidentiality of trial participants are protected. We also are required to register ongoing clinical trials and post the results of completed clinical trials on a government-sponsored database, ClinicalTrials.gov, within specified timeframes. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions. If we or any of our CROs or other third parties, including trial sites, fail to comply with applicable GCPs, the clinical data generated in our clinical trials may be deemed unreliable and the FDA, EMA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials complies with GCP regulations. In addition, our clinical trials must be conducted with product produced under conditions that comply with the FDA's current Good Manufacturing Practices, or cGMPs. Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process.

Although we intend to design the preclinical studies and clinical trials for our product candidates, CROs will conduct some or all of the preclinical studies and clinical trials. As a result, many important aspects of our development programs, including their conduct and timing, will be outside of our direct control. Our reliance on third parties to conduct future preclinical studies and clinical trials will also result in less direct control over the management of data developed through preclinical studies and clinical trials than would be the case if we were relying entirely upon our own staff. Communicating with outside parties can also be challenging, potentially leading to mistakes as well as difficulties in coordinating activities. Outside parties may:

- have staffing difficulties;
- fail to comply with contractual obligations;
- experience regulatory compliance issues;
- undergo changes in priorities or become financially distressed; or
- form relationships with other entities, some of which may be our competitors.

These factors may materially adversely affect the willingness or ability of third parties to conduct our preclinical studies and clinical trials and may subject us to unexpected cost increases that are beyond our control.

In addition, any third parties conducting our clinical trials will not be our employees, and except for remedies available to us under our agreements with such third parties, we cannot control whether or not they devote sufficient time and resources to our clinical programs. If the CROs and other third parties do not perform preclinical studies and clinical trials in a satisfactory manner, if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols, or if they breach their obligations to us or fail to comply with regulatory requirements, the development, regulatory approval and commercialization of our product candidates may be delayed, we may not be able to obtain regulatory approval and commercialize our product candidates or our development programs may be materially and irreversibly harmed. If we are unable to rely on preclinical and clinical data collected by our CROs and other third parties, we could be required to repeat, extend the duration of or increase the size of any preclinical studies or clinical trials we conduct and this could significantly delay commercialization and require greater expenditures.

If third parties do not successfully carry out their contractual duties, meet expected deadlines or conduct our studies in accordance with regulatory requirements or our stated study plans and protocols, we will not be able to complete, or may be delayed in completing, the preclinical studies and clinical trials required to support future IND, CTA and other similar regulatory filings and potential approval of our product candidates.

In addition, there are few CMOs who have the capability to both, on the one hand, manufacture oligonucleotides and peptides, and, other, conjugate them, both of which processes are critical to the development and production of our product candidates. We are aware that one or more competitors have engaged many of these CMOs, which may hinder our ability to also contract with those CMOs. As a result, we may have difficulty finding and engaging sufficient third-party manufacturers to develop and manufacture our product candidates, which may affect our ability to conduct preclinical studies and clinical trials.

We currently depend on a small number of third-party suppliers to supply the product candidates that we are evaluating in our research programs. The loss of these or future third-party suppliers, or their inability provide us with sufficient supply, could harm our business.

We do not own or operate manufacturing facilities and have no current plans to develop our own clinical or commercial-scale manufacturing capabilities. We rely on a small number of third-party suppliers for the manufacture of the product candidates that we are evaluating in our research programs. We expect to continue to depend on third-party suppliers for the manufacture of any product candidates we advance into preclinical and clinical development, as well as for commercial manufacture if those product candidates receive marketing approval. The facilities used by third-party manufacturers to manufacture our product candidates must be approved by the FDA, the EMA and any comparable foreign regulatory authority pursuant to inspections that will be conducted after we submit a new drug application, or NDA, to the FDA or any comparable filing to the EMA or other foreign regulatory authority. We do not control the manufacturing process of, and are completely dependent on, third-party manufacturers for compliance with cGMP requirements for manufacture of products. If these third-party manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA, the EMA or any comparable foreign regulatory authority, they will not be able to secure and/or maintain regulatory approval for their manufacturing facilities.

In addition, we have no control over the ability of third-party manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA, the EMA or any comparable foreign regulatory authority does not approve these facilities for the manufacture of our product candidates or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for or market our product candidates, if approved. Our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, seizures or recalls of product candidates or products, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our product candidates.

We may also seek to eventually establish our own manufacturing facility for the long-term commercial supply of our product candidates for which receive regulatory approval, if any. If we determine to establish our own manufacturing facility and manufacture our products on our own, we will need to obtain the resources and expertise in order to build such manufacturing capabilities and to conduct such manufacturing operations. In addition, our conduct of such manufacturing operations will be subject to the extensive regulations and operational risks to which our third-party suppliers are subject. If we are not successful in building these capabilities or complying with the regulations or otherwise operating our manufacturing function, our commercial supply could be disrupted and our business could be materially harmed.

Our or a third party's failure to execute on our manufacturing requirements on commercially reasonable terms and in compliance with cGMP could adversely affect our business in a number of ways, including:

- an inability to initiate preclinical studies or clinical trials of product candidates;
- delays in submitting regulatory applications, or receiving marketing approvals, for product candidates;
- subjecting third-party manufacturing facilities or our manufacturing facilities to additional inspections by regulatory authorities;
- requirements to cease development or to recall batches of product candidates; and
- in the event of approval to market and commercialize any product, an inability to meet commercial demands for the product.

We are party to manufacturing agreements with a number of third-party manufacturers. We may be unable to maintain these agreements or establish any additional agreements with third-party manufacturers or to do so on acceptable terms. Even if we are able to maintain or establish agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- failure of third-party manufacturers to comply with regulatory requirements and maintain quality assurance;
- breach of the manufacturing agreement by the third party;
- failure to manufacture according to our specifications;
- failure to manufacture according to our schedule or at all;
- misappropriation of our proprietary information, including our trade secrets and know-how; and
- termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us.

We may compete with third parties for access to manufacturing facilities. There are a limited number of manufacturers that operate under cGMP regulations and that might be capable of manufacturing for us.

We do not currently have arrangements in place for redundant supply or a second source for all required raw materials. If our existing or future third-party manufacturers cannot perform as agreed, we may be required to replace such manufacturers and we may be unable to replace them on a timely basis or at all.

Additionally, if supply from one approved manufacturer is interrupted, there could be a significant disruption in supply. An alternative manufacturer would need to be qualified and authorized pursuant to a submission to our approved NDA or NDA supplement which could result in further delay. Further, we will also need to verify, such as through comparability or bridging studies, that any new or modified manufacturing processes will produce our product candidate according to the specifications previously submitted to the FDA, the EMA or comparable foreign regulatory authorities. The delays associated with the verification of a new third-party manufacturer could negatively affect our ability to develop product candidates or commercialize our products in a timely manner or within budget. Furthermore, a third-party manufacturer may possess technology related to the manufacture of our product candidate that such third-party manufacturer owns independently. This would increase our reliance on such third-party manufacturer or require us to obtain a license from such third-party manufacturer in order to have another third-party manufacturer manufacture our product candidates. We may be unsuccessful in demonstrating the comparability of clinical supplies to those previously allowed into clinical development by the FDA, the EMA or comparable foreign regulatory authorities which could require the conduct of additional studies or clinical trials.

Switching manufacturers may involve substantial costs and is likely to result in a delay in our desired clinical and commercial timelines. These factors could cause the delay of clinical trials, regulatory submissions, required approvals or commercialization of our product candidates, cause us to incur higher costs and prevent us from commercializing our products successfully. Furthermore, if our suppliers fail to meet contractual requirements, and we are unable to secure one or more replacement suppliers capable of production at a substantially equivalent cost, our clinical trials may be delayed or we could lose potential revenue.

Our current and anticipated future dependence upon third parties for the manufacture of any product candidates we develop may adversely affect our development programs and our ability to commercialize any products that receive marketing approval on a timely and competitive basis.

We may from time to time be dependent on single-source suppliers for some of the components and materials used in our product candidates.

Although we currently do not use any single-source supplier, we may from time to time depend on such suppliers for some of the components and materials used in our product candidates. We cannot ensure that these suppliers or service providers will remain in business, have sufficient capacity or supply to meet our needs or that they will not be purchased by one of our competitors or another company that is not interested in continuing to work with us. Our use of single-source suppliers of raw materials, components, key processes and finished goods could expose us to several risks, including disruptions in supply, price increases or late deliveries. There are, in general, relatively few alternative sources of supply for substitute components. These vendors may be unable or unwilling to meet our future demands for our clinical trials or commercial sale. Establishing additional or replacement suppliers for these components, materials and processes could take a substantial amount of time and it may be difficult to establish replacement suppliers who meet regulatory requirements. Any disruption in supply from any single-source supplier or service provider could lead to supply delays or interruptions which would damage our business, financial condition, results of operations and prospects.

If we are required to switch to a replacement supplier, the manufacture and delivery of our product candidates could be interrupted for an extended period, which could adversely affect our business. Establishing additional or replacement suppliers, if required, may not be accomplished quickly. If we are able to find a replacement supplier, the replacement supplier would need to be qualified and may require additional regulatory authority approval, which could result in further delay. In the event that we should depend on single-source suppliers, we would seek to maintain adequate inventory of the single source components and materials used in our products; however, any interruption or delay in the supply of components or materials, or our inability to obtain components or materials from alternate sources at acceptable prices in a timely manner, could impair our ability to meet the demand for our investigational medicines.

We may enter into collaborations with third parties for the research, development and commercialization of certain of our product candidates. If any such collaborations are not successful, we may not be able to capitalize on the market potential of those product candidates.

We may seek third-party collaborators for the research, development and commercialization of certain of our product candidates. If we enter into any such arrangements with any third parties, we will likely have limited control over the amount and timing of resources that our collaborators dedicate to the development or commercialization of any product candidates we may seek to develop with them. Our ability to generate revenues from these arrangements will depend on our collaborators' abilities to successfully perform the functions assigned to them in these arrangements. We cannot predict the success of any collaboration that we enter into.

Collaborations involving our research programs or our product candidates pose numerous risks to us, including the following:

- collaborators would have significant discretion in determining the efforts and resources that they will apply to these collaborations;
- collaborators may not pursue development and commercialization of our product candidates or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in the collaborator's strategic focus or available funding or external factors such as an acquisition that diverts resources or creates competing priorities;
- collaborators may delay programs, preclinical studies or clinical trials, provide insufficient funding for programs, preclinical studies or clinical trials, stop a preclinical study or clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidates if the collaborators believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours;
- collaborators may be acquired by a third party having competitive products or different priorities, causing the emphasis on our product development or commercialization program under such collaboration to be delayed, diminished or terminated;
- collaborators with marketing and distribution rights to one or more products may not commit sufficient resources to the marketing and distribution of such product or products;
- collaborators may not properly obtain, maintain, enforce or defend our intellectual property or proprietary rights or may use our proprietary information in such a way as to invite litigation that could jeopardize or invalidate our proprietary information or expose us to potential litigation;
- disputes may arise between the collaborators and us that result in the delay or termination of the research, development, or commercialization of our product candidates or that result in costly litigation or arbitration that diverts management attention and resources;
- we may lose certain valuable rights under certain circumstances, including if we undergo a change of control;
- collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the affected product candidates; and
- collaboration agreements may not lead to development or commercialization of product candidates in the most efficient manner or at all.

If our collaborations do not result in the successful development and commercialization of product candidates, or if one of our collaborators terminates its agreement with us, we may not receive any future research funding or milestone or royalty payments under the collaboration. If we do not receive the funding we expect under these agreements, our development of product candidates could be delayed, and we may need additional resources to develop product candidates. In addition, if one of our collaborators terminates its agreement with us, we may find it more difficult to find a suitable replacement collaborator or attract new collaborators, and our development programs may be delayed or the perception of us in the business and financial communities could be adversely affected. All of the risks relating to product development, regulatory approval and commercialization described in this prospectus apply to the activities of our collaborators.

These relationships, or those like them, may require us to incur non-recurring and other charges, increase our near- and long-term expenditures, issue securities that dilute our existing stockholders, or disrupt our management and business. In addition, we could face significant competition in seeking appropriate collaborators, and the negotiation process is time-consuming and complex. Our ability to reach a definitive collaboration agreement will depend, among other things, upon our assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration, and the proposed collaborator's evaluation of several factors. If we license rights to any product candidates we or our collaborators may develop, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and company culture.

If conflicts arise between us and our potential collaborators, these parties may act in a manner adverse to us and could limit our ability to implement our strategies.

If conflicts arise between us and our potential collaborators, the other party may act in a manner adverse to us and could limit our ability to implement our strategies. Our collaborators may develop, either alone or with others, products in related fields that are competitive with our product candidates that are the subject of these collaborations with us. Competing products, either developed by the collaborators or to which the collaborators have rights, may result in the withdrawal of support for our product candidates.

Some of our future collaborators could also become our competitors. Our collaborators could develop competing products, preclude us from entering into collaborations with their competitors, fail to obtain timely regulatory approvals, terminate their agreements with us prematurely, fail to devote sufficient resources to the development and commercialization of products, or merge with or be acquired by a third party who may do any of these things. Any of these developments could harm our product development efforts.

If we are not able to establish collaborations on commercially reasonable terms, we may have to alter our development and commercialization plans.

Our product development and research programs and the potential commercialization of our product candidates will require substantial additional cash to fund expenses. For some of our product candidates, we may decide to collaborate with other pharmaceutical and biotechnology companies for the development and potential commercialization of those product candidates.

We face significant competition in seeking appropriate collaborators. Whether we reach a definitive agreement for a collaboration will depend, among other things, upon our assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration, and the proposed collaborator's evaluation of a number of factors. Those factors may include the design or results of clinical trials, the likelihood of approval by the FDA, the EMA or comparable foreign regulatory authorities, the potential market for the subject product candidate, the costs and complexities of manufacturing and delivering such product candidate to patients, the potential of competing products, the existence of uncertainty with respect to our ownership of technology, which can exist if there is a challenge to such ownership without regard to the merits of the challenge, and industry and market conditions generally. The collaborator may also consider alternative product

candidates or technologies for similar indications that may be available to collaborate on and whether such a collaboration could be more attractive than the one with us.

Collaborations are complex and time-consuming to negotiate and document. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future collaborators.

We may not be able to negotiate collaborations on a timely basis, on acceptable terms, or at all. If we are unable to do so, we may have to curtail the development of the product candidate for which we are seeking to collaborate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization, reduce the scope of any sales or marketing activities, or increase our own expenditures on the development of the product candidate.

We are dependent on third-party vendors to provide certain licenses, products and services and our business and operations, including clinical trials, could be disrupted by any problems with our significant third-party vendors.

We engage a number of third-party suppliers and service providers to supply critical goods and services, such as contract research services, contract manufacturing services and IT services. Disruptions to the business, financial stability or operations of these suppliers and service providers, including due to strikes, labor disputes or other disruptions to the workforce, for instance, if, as a result of the ongoing COVID-19 pandemic, employees are not able to come to work, or to their willingness and ability to produce or deliver such products or provide such services in a manner that satisfies the requirements put forth by the authorities, or in a manner that satisfies our own requirements, could affect our ability to develop and market our future product candidates on a timely basis. If these suppliers and service providers were unable or unwilling to continue to provide their products or services in the manner expected, or at all, we could encounter difficulty finding alternative suppliers. Even if we are able to secure appropriate alternative suppliers in a timely manner, costs for such products or services could increase significantly. Any of these events could adversely affect our results of operations and our business.

Risks Related to Regulatory Approval and Other Regulatory and Legal Compliance Matters

Our lead product candidate is in clinical development, while all of our other product candidates are still in preclinical development. As an organization, we have never completed any clinical trials and may be unable to do so for any of our product candidates.

Although we are currently in clinical development for our first product candidate, we have no experience as a company in conducting, completing and managing the full suite of clinical trials necessary to obtain regulatory approvals, including approval by the FDA, the EMA or comparable foreign regulatory authorities, or in obtaining approval of any of our product candidate. We are early in our development efforts for our product candidates, and we have successfully completed CTA-enabling activities and commenced a clinical trial for our lead product candidate, PGN-EDO51, only. We will need to successfully complete IND- or CTA-enabling activities, Phase 1 clinical trials and later-stage and pivotal clinical trials, in order to obtain FDA, EMA or comparable foreign regulatory approval to market PGN-EDO51, PGN-EDODM1, PGN-EDO53, PGN-EDO45, PGN-EDO44 and any future product candidates.

Carrying out clinical trials and the submission of a successful NDA is a complicated process. We commenced our first Phase 1 clinical trial for PGN-EDO51 in the second quarter of 2022, and plan to commence our Phase 1/2 clinical trial for PGN-EDODM1 in DM1 patients in the first half of 2023, subject to receiving authorization to proceed under a CTA or IND. Based on our preclinical observations of levels of exon-skipping following administration of PGN-EDO51, as compared to an R_6G-PMO compound that we believe is equivalent

to a molecule currently under development by Sarepta, we expect to observe higher levels of exon skipping and dystrophin production by PGN-EDO51 in clinical testing. However, our belief in the equivalency of the R_6G-PMO compound that we tested in the preclinical setting may be erroneous. In addition, there can be no assurance that our expectations of higher exon skipping and dystrophin production will be reflected in clinical evaluation of PGN-EDO51.

Although we are currently engaged in a clinical trial for our lead product candidate, we have not previously conducted any clinical trials, have limited experience as a company in preparing, submitting and prosecuting regulatory filings, and have submitted a CTA, which was subsequently authorized in Canada, for our lead product candidate only. We have not previously submitted an IND or an NDA for any product candidate. In addition, we have had limited interactions with the FDA, the EMA and comparable foreign regulatory authorities and cannot be certain how many clinical trials of PGN-EDO51, PGN-EDODM1, PGN-EDO53 or any other product candidates will be required or how such trials should be designed. For example, the FDA has approved at least four drugs based on their minimal dystrophin production, and it is our belief that we may be able to pursue for accelerated approval of PGN-EDO51 on that same basis; however, we have not yet had any interactions with the FDA, the EMA or comparable foreign regulatory authorities regarding the potential for an accelerated approval program for PGN-EDO51 nor have we received feedback from the FDA, the EMA or comparable foreign regulatory authorities on the viability of this clinical strategy.

Consequently, we may be unable to successfully and efficiently execute and complete necessary clinical trials in a way that leads to regulatory submission and approval of any of our product candidates. We may require more time and incur greater costs than our competitors and may not succeed in obtaining regulatory approvals of product candidates that we develop. Failure to commence or complete, or delays in, our current or planned clinical trials, could prevent us from or delay us in submitting NDAs for and commercializing our product candidates.

Even if we complete the necessary preclinical studies and clinical trials, the marketing approval process is expensive, time-consuming and uncertain and may prevent us from obtaining approvals for the commercialization of our product candidates. If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals, we will not be able to commercialize, or will be delayed in commercializing, our product candidates, and our ability to generate revenue will be materially impaired.

Our product candidates and the activities associated with their development and commercialization, including their design, testing, manufacture, safety, efficacy, recordkeeping, labeling, storage, approval, advertising, promotion, sale and distribution, are subject to comprehensive regulation by the FDA and other regulatory authorities in the United States, the EMA and comparable authorities in other countries. Failure to obtain marketing approval for a product candidate will prevent us from commercializing the product candidate in a given jurisdiction. We have not received approval to market any product candidates from regulatory authorities in any jurisdiction.

We have no experience as a company in submitting and supporting the applications necessary to gain marketing approvals and may need to rely on third parties to assist us in this process. Securing regulatory approval requires the submission of extensive preclinical and clinical data and supporting information to the various regulatory authorities for each therapeutic indication to establish the product candidate's safety and effectiveness. Securing regulatory approval also requires the submission of information about the product manufacturing process to, and inspection of manufacturing facilities by, the relevant regulatory authority. Our product candidates may not be effective, may be only moderately effective or may prove to have undesirable or unintended side effects, toxicities, or other characteristics that may preclude our obtaining marketing approval or prevent or limit commercial use.

The process of obtaining marketing approvals, both in the United States and abroad, is expensive, may take many years if additional clinical trials are required, if approval is obtained at all, and can vary substantially

based upon a variety of factors, including the type, complexity and novelty of the product candidates involved. Of the large number of products in development, only a small percentage successfully complete the FDA, EMA or foreign regulatory approval processes and are commercialized. Even if our product candidates demonstrate safety and efficacy in clinical trials, the regulatory agencies may not complete their review processes in a timely manner, or we may not be able to obtain regulatory approval. Additional delays may result if an FDA Advisory Committee or other regulatory authority recommends non-approval or restrictions on approval. Changes in marketing approval policies during the development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review for each submitted product application, may cause delays in the approval or rejection of an application. The FDA, the EMA and comparable foreign regulatory authorities in other countries have substantial discretion in the approval process and may refuse to accept any application or may decide that our data is insufficient for approval and require additional preclinical, clinical or other studies. In addition, varying interpretations of the data obtained from preclinical and clinical testing could delay, limit or prevent marketing approval of a product candidate. If we experience delays in obtaining approval or if we fail to obtain approval of our product candidates, the commercial prospects for those product candidates may be harmed, and our ability to generate revenues will be materially impaired.

The FDA also has substantial discretion in the approval process. The number and types of preclinical studies and clinical trials that will be required for NDA approval varies depending on the product candidate, the disease or the condition that the product candidate is designed to treat and the regulations applicable to any particular product candidate. Despite the time and expense associated with preclinical studies and clinical trials, failure can occur at any stage.

Clinical trial failure may result from a multitude of factors including flaws in trial design, dose selection, patient enrollment criteria and failure to demonstrate favorable safety or efficacy traits, and failure in clinical trials can occur at any stage. Companies in the drug development industry frequently suffer setbacks in the advancement of clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. Based upon negative or inconclusive results, we may decide, or regulators may require us, to conduct additional clinical trials or preclinical studies. In addition, data obtained from clinical trials is susceptible to varying interpretations, and regulators may not interpret our data as favorably as we do, which may further delay, limit or prevent marketing approval.

The FDA or any foreign regulatory authority could delay, limit or deny approval of a product candidate for many reasons, including because the FDA or such other regulatory authority:

- may disagree with the design or implementation of our trials;
- may not deem a product candidate to be safe or effective for its intended uses;
- determines that the product candidate does not have an acceptable benefit-risk profile;
- may not agree that the data collected from preclinical studies and clinical trials are acceptable or sufficient to support the submission of an NDA or other submission or to obtain regulatory approval, and may impose requirements for additional preclinical studies or clinical trials;
- may determine that adverse events experienced by participants in our clinical trials represent an unacceptable level of risk;
- may determine that the population studied in the clinical trial may not be sufficiently broad or representative to assure safety in the full population for which we seek approval;
- may not accept clinical data from trials that are conducted at clinical facilities or in countries where the standard of care is potentially different from that of the United States;

- may disagree regarding the formulation, labeling and/or specifications;
- may not approve the manufacturing processes associated with a product candidate or may determine that a manufacturing facility does not have an acceptable compliance status;
- may change approval policies or adopt new regulations; or
- may not file a submission due to, among other reasons, the content or formatting of the submission.

Even if we eventually complete clinical testing and receive approval of an NDA or foreign marketing application for any product candidates, the FDA, EMA or applicable foreign regulatory authority may grant approval or other marketing authorization contingent on the performance of costly additional clinical trials, including post-market clinical trials. For example, we expect that the FDA will require a post-marketing confirmatory trial of PGN-EDO51, if it is approved under the accelerated approval regulations requiring applicants to demonstrate clinical benefit in post-approval studies. The FDA, EMA or the applicable foreign regulatory authority also may approve or authorize for marketing a product candidate for a more limited indication or patient population that we originally request, and the FDA, EMA or applicable foreign regulatory authority may not approve or authorize the labeling that we believe is necessary or desirable for the successful commercialization of a product candidate. Any of these restrictions or commitments could render an approved product not commercially viable, which would materially adversely impact our business and prospects.

Obtaining and maintaining marketing approval or commercialization of our product candidates in the United States does not mean that we will be successful in obtaining marketing approval of our product candidates in other jurisdictions. Failure to obtain marketing approval in foreign jurisdictions would prevent our product candidates from being marketed in such jurisdictions, which, in turn, would materially impair our ability to generate revenue.

In order to market and sell our product candidates in the European Union and many other foreign jurisdictions, we or our collaborators must obtain separate marketing approvals and comply with numerous and varying regulatory requirements. The approval procedure varies among countries and can involve additional testing. The time required to obtain approval may differ substantially from that required to obtain FDA approval. The regulatory approval process outside the United States generally includes all of the risks associated with obtaining FDA approval. In addition, in many countries outside the United States, it is required that the product be approved for reimbursement before the product can be approved for sale in that country. We or these third parties may not obtain approvals from regulatory authorities outside the United States on a timely basis, if at all. Approval by the FDA does not ensure approval by the EMA or regulatory authorities in other countries or jurisdictions, and approval by one regulatory authority outside the United States does not ensure approval by regulatory authorities in other countries or jurisdictions or by the FDA. We may not be able to file for marketing approvals and may not receive necessary approvals to commercialize our medicines in any jurisdiction, which would materially impair our ability to generate revenue.

Additionally, we could face heightened risks with respect to seeking marketing approval in the United Kingdom as a result of the recent withdrawal of the United Kingdom from the European Union, commonly referred to as Brexit. Pursuant to the formal withdrawal arrangements agreed between the United Kingdom and the European Union, the United Kingdom withdrew from the European Union, effective December 31, 2020. On December 24, 2020, the United Kingdom and the European Union entered into a Trade and Cooperation Agreement. The agreement sets out certain procedures for approval and recognition of medical products in each jurisdiction.

Any delay in obtaining, or an inability to obtain, any marketing approvals, as a result of the Trade and Cooperation Agreement or otherwise, would prevent us from commercializing any product candidates in the United Kingdom and/or the European Union and restrict our ability to generate revenue and achieve and sustain

profitability. If any of these outcomes occur, we may be forced to restrict or delay efforts to seek regulatory approval in the United Kingdom and/or the European Union for our product candidates, which could significantly and materially harm our business.

We may seek one or more designations or expedited programs for one or more of our product candidates, but we might not receive such designations or be allowed to proceed on expedited program pathways, and even if we do and proceed on such expedited program pathways in the future, such designations or expedited programs may not lead to a faster development or regulatory review or approval process, and each designation does not increase the likelihood that any of our product candidates will receive marketing approval in the United States.

We may seek fast track designation for some of our product candidates. If a drug is intended for the treatment of a serious or life-threatening condition and nonclinical or clinical data for the drug demonstrates the potential to address an unmet medical need for such a condition, the drug sponsor may apply for fast track designation. The FDA has broad discretion whether or not to grant this designation, so even if we believe a particular product candidate is eligible for this designation, we cannot assure you that the FDA would decide to grant it. Even if we do receive fast track designation, we may not experience a faster development process, review or approval compared to conventional FDA procedures. The FDA may withdraw fast track designation if it believes that the designation is no longer supported by data from our clinical development program. Fast track designation alone does not guarantee qualification for the FDA's priority review procedures.

We may seek a breakthrough therapy designation for some of our product candidates. A breakthrough therapy is defined as a drug that is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. For drugs that have been designated as breakthrough therapies, interaction and communication between the FDA and the sponsor of the trial can help to identify the most efficient path for clinical development while minimizing the number of patients placed in ineffective control regimens. Drugs designated as breakthrough therapies by the FDA may also be eligible for priority review and accelerated approval. Designation as a breakthrough therapy is within the discretion of the FDA. Accordingly, even if we believe one of our product candidates meets the criteria for designation as a breakthrough therapy, the FDA may disagree and instead determine not to make such designation. In any event, the receipt of a breakthrough therapy designation for a product candidate may not result in a faster development process, review or approval compared to therapies considered for approval under conventional FDA procedures and does not assure ultimate approval by the FDA. In addition, even if one or more of our product candidates qualify as breakthrough therapies, the FDA may later decide that such product candidates no longer meet the conditions for qualification or decide that the time period for FDA review or approval will not be shortened.

In the future, we may also seek approval of product candidates under the FDA's accelerated approval pathway. A product may be eligible for accelerated approval if it is designed to treat a serious or life-threatening disease or condition and generally provides a meaningful advantage over available therapies upon a determination that the product candidate has an effect on a surrogate endpoint or intermediate clinical endpoint that is reasonably likely to predict clinical benefit. The FDA considers a clinical benefit to be a positive therapeutic effect that is clinically meaningful in the context of a given disease, such as irreversible morbidity or mortality. For the purposes of accelerated approval, a surrogate endpoint is a marker, such as a laboratory measurement, radiographic image, physical sign, or other measure that is thought to predict clinical benefit, but is not itself a measure of clinical benefit. An intermediate clinical endpoint is a clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit. The accelerated approval pathway may be used in cases in which the advantage of a new drug over available therapy may not be a direct therapeutic advantage, but is a clinically important improvement from a patient and public health perspective. If granted, accelerated approval is usually contingent on the sponsor's agreement to conduct, in a diligent manner, additional post-

approval confirmatory studies to verity and describe the drug's clinical benefit. If the sponsor fails to conduct such studies in a timely manner, or if such post-approval studies fail to verify the drug's predicted clinical benefit, the FDA may withdraw its approval of the drug on an expedited basis. In addition, for products being considered for accelerated approval, the FDA generally requires, unless otherwise informed by the agency, that all advertising and promotional materials intended for dissemination or publication within 120 days of marketing approval be submitted to the agency for review during the pre-approval review period. There can be no assurance that FDA would allow any of the product candidates we may develop to proceed on an accelerated approval pathway, and even if FDA did allow such pathway, there can be no assurance that such submission or application will be accepted or that any expedited development, review or approval will be granted on a timely basis, or at all. Moreover, even if we received accelerated approval, any post-approval studies required to confirm and verify clinical benefit may not show such benefit, which could lead to withdrawal of any approvals we have obtained.

If the FDA determines that a product candidate offers a treatment for a serious condition and, if approved, the product would provide a significant improvement in safety or effectiveness, the FDA may designate the product candidate for priority review. A priority review designation means that the goal for the FDA to review an application is six months, rather than the standard review period of ten months. We may request priority review for our product candidates. The FDA has broad discretion with respect to whether or not to grant priority review status to a product candidate, so even if we believe a particular product candidate is eligible for such designation or status, the FDA may decide not to grant it. Moreover, a priority review designation does not necessarily result in an expedited regulatory review or approval process or necessarily confer any advantage with respect to approval compared to conventional FDA procedures. Receiving priority review from the FDA does not guarantee approval within the six-month review cycle or at all.

We may pursue orphan drug designation for certain of our product candidates, and we may not be able to obtain such designation, or obtain or maintain the benefits of such designation including orphan drug exclusivity, and even if we do, that exclusivity may not prevent regulatory authorities from approving other competing products.

We may seek orphan drug designation for some of our product candidates; however, we may never receive such designations. Under the Orphan Drug Act, the FDA may designate a product as an orphan drug if it is a drug or biologic intended to treat a rare disease or condition, defined as a patient population of fewer than 200,000 in the United States, or a patient population greater than 200,000 in the United States where there is no reasonable expectation that the cost of developing the drug will be recovered from sales in the United States. Orphan drug designation must be requested before submitting an NDA. A similar regulatory scheme governs orphan products in the European Union.

Orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and application fee waivers. After the FDA grants orphan drug designation, the generic identity of the drug and its potential orphan use are disclosed publicly by the FDA. In addition, if a product candidate with an orphan drug designation subsequently receives the first marketing approval for the indication for which it has such designation, the product is entitled to a period of marketing exclusivity, which precludes the FDA from approving another marketing application for the same product for the same therapeutic indication for that seven years.

Even if we obtain orphan drug exclusivity for a product, that exclusivity may not effectively protect the product from competition because different products can be approved for the same condition. In addition, even after an orphan drug is approved, the FDA can subsequently approve the same product for the same condition if the FDA concludes that the later product is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care. Orphan drug exclusivity may also be lost if the FDA determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantity of the product to meet the needs of the patients with the rare disease or condition. Further, even if we obtain orphan drug designation, we may not be the first to obtain marketing approval for any particular orphan indication due to the uncertainties associated with developing pharmaceutical products.

The FDA may further reevaluate the Orphan Drug Act and its regulations and policies. We do not know if, when, or how the FDA may change the orphan drug regulations and policies in the future, and it is uncertain how any changes might affect our business. Depending on what changes the FDA may make to its orphan drug regulations and policies, our business could be adversely impacted.

Even if we receive regulatory approval for any of our product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense. Additionally, our product candidates, if approved, could be subject to post-market study requirements, marketing and labeling restrictions, and even recall or market withdrawal if unanticipated safety issues are discovered following approval. In addition, we may be subject to penalties or other enforcement action if we fail to comply with regulatory requirements.

The FDA, the EMA or a comparable foreign regulatory authority may not approve any of our product candidates derived from our platform. However, if the FDA, EMA or comparable foreign regulatory authority approves any of our product candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and recordkeeping for the product will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, conformance with applicable product tracking and tracing requirements, establishment registration and listing, as well as continued compliance with cGMPs and GCPs for any clinical trials that we conduct post-approval. Any regulatory approvals that we receive for our product candidates may also be subject to limitations on the approved indicated uses for which the product may be marketed or to the conditions of approval, or contain requirements for potentially costly post-marketing studies, and surveillance to monitor the safety and efficacy of the product. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things:

- restrictions on the marketing or manufacturing of the product, withdrawal of the product from the market, or voluntary or mandatory product recalls;
- restrictions on our ability to conduct clinical trials, including full or partial clinical holds on ongoing or planned trials;
- restrictions on product distribution or use, or requirements to conduct post-marketing studies or clinical trials;
- fines, warning letters or other regulatory enforcement action;
- refusal by the FDA, the EMA or comparable foreign regulatory authorities to approve pending applications or supplements to approved applications filed by us;
- product seizure or detention, or refusal to permit the import or export of products; and
- injunctions or the imposition of civil or criminal penalties.

The occurrence of any event or penalty described above may inhibit our ability to commercialize our product candidates and generate revenue and could require us to expend significant time and resources in response and could generate negative publicity.

In addition, the FDA's, EMA's and other foreign regulatory authorities' policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, which would adversely affect our business, prospects and ability to achieve or sustain profitability.

Any product candidate for which we obtain marketing approval will be subject to restrictions, such as the laws and regulations prohibiting the promotion of off-label uses, or may need to be withdrawn from the market, and we may be subject to substantial penalties if we fail to comply with regulatory requirements or if we experience unanticipated problems with our medicines, when and if any of them are approved.

The FDA, EMA and other foreign regulatory authorities closely regulate the post-approval marketing and promotion of medicines to ensure that they are marketed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA, EMA and other foreign regulatory authorities impose stringent restrictions on manufacturers' communications regarding off-label use. In particular, a product may not be promoted for uses that are not approved by the FDA, EMA and other foreign regulatory authorities as reflected in the product's approved labeling. If we receive marketing approval for a product candidate, physicians may nevertheless prescribe it to their patients in a manner that is inconsistent with the approved label. If we are found to have promoted such off-label uses, we may be subject to enforcement action for off-label marketing by the FDA and other federal and state enforcement agencies, including the Department of Justice. Violation of the Federal Food, Drug, and Cosmetic Act and other statutes, including the False Claims Act, relating to the promotion and advertising of prescription products may also lead to investigations or allegations of violations of federal and state healthcare fraud and abuse laws and state consumer protection laws. The federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined several companies from engaging in off-label promotion. The government has also required companies to enter into consent decrees and/or imposed permanent injunctions under which specified promotional conduct is changed or curtailed. If we cannot successfully manage the promotion of our product candidates, if approved, we could become subject to significant liability, which would materially adversely affect our business and financial condition.

In addition, later discovery of previously unknown problems with our medicines, manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may yield various results, including:

- restrictions on such medicines, manufacturers or manufacturing processes;
- restrictions on the labeling or marketing of a medicine;
- restrictions on the distribution or use of a medicine;
- requirements to conduct post-marketing clinical trials;
- receipt of warning or untitled letters;
- withdrawal of the medicines from the market;
- refusal to approve pending applications or supplements to approved applications that we submit;
- recall of medicines;
- fines, restitution or disgorgement of profits or revenue;
- suspension or withdrawal of marketing approvals;
- suspension of any ongoing clinical trials;
- refusal to permit the import or export of our medicines;
- product seizure; and
- injunctions or the imposition of civil or criminal penalties.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response and could generate negative publicity. The occurrence of any event or penalty described above may inhibit our ability to commercialize any product candidates we develop and adversely affect our business, financial condition, results of operations and prospects.

Additionally, if any of our product candidates receive marketing approval, the FDA could require us to adopt a REMS to ensure that the benefits outweigh its risks, which may include, among other things, a medication guide outlining the risks of the product for distribution to patients and a communication plan to healthcare practitioners. Furthermore, if we or others later identify undesirable side effects caused by our product candidate, several potentially significant negative consequences could result, including:

- regulatory authorities may suspend or withdraw approvals of such product candidate;
- regulatory authorities may require additional warnings on the label;
- we may be required to change the way a product candidate is administered or conduct additional clinical trials;
- we could be sued and held liable for harm caused to patients; and
- our reputation may suffer.

We and our contract manufacturers are subject to significant regulation. The manufacturing facilities on which we rely may not continue to meet regulatory requirements, which could materially harm our business.

All entities involved in the preparation of product candidates for clinical trials or commercial sale, including any contract manufacturers, are subject to extensive regulation. Components of a finished therapeutic product approved for commercial sale or used in late-stage clinical trials must be manufactured in accordance with cGMP regulations. These regulations govern manufacturing processes and procedures (including record keeping) and the implementation and operation of quality systems to control and assure the quality of investigational products and products approved for sale. Poor control of production processes can lead to the introduction of adventitious agents or other contaminants or to inadvertent changes in the properties or stability of our product candidates that may not be detectable in final product testing. We or our contract manufacturer must supply all necessary documentation in support of an NDA on a timely basis and must adhere to the FDA's cGMP regulations enforced through its facilities inspection program. Our facilities and quality systems and the facilities and quality systems of some or all of our third-party contractors must pass a pre-approval inspection for compliance with the applicable regulations as a condition of regulatory approval of our product candidates. In addition, the regulatory authorities may, at any time, audit or inspect a manufacturing facility involved with the preparation of our product candidates or our other potential products or the associated quality systems for compliance with the regulations applicable to the activities being conducted. If these facilities do not pass a pre-approval plant inspection, FDA approval of the products will not be granted.

The regulatory authorities also may, at any time following approval of a product for sale, audit any of our future manufacturing facilities or those of our third-party contractors. If any such inspection or audit identifies a failure to comply with applicable regulations or if a violation of our product specifications or applicable regulations occurs independent of such an inspection or audit, we or the relevant regulatory authority may require remedial measures that may be costly and/or time-consuming for us or a third party to implement and that may include the temporary or permanent suspension of a clinical trial or commercial sales or the temporary or permanent closure of a facility. Any such remedial measures imposed upon us or third parties with whom we contract could materially harm our business.

If we or any of our third-party manufacturers fail to maintain regulatory compliance, the FDA can impose regulatory sanctions including, among other things, refusal to approve a pending application for a new

product, or revocation of a pre-existing approval. Any such consequence would severely harm our business, financial condition and results of operations.

If we or any contract manufacturers and suppliers we engage fail to comply with environmental, health, and safety laws and regulations, we could become subject to fines or penalties or incur significant costs.

We and any contract manufacturers and suppliers we engage are subject to numerous federal, state and local environmental, health, and safety laws, regulations and permitting requirements, including those governing laboratory procedures; the generation, handling, use, storage, treatment and disposal of hazardous and regulated materials and wastes; the emission and discharge of hazardous materials into the ground, air and water; and employee health and safety. Our operations involve the use of hazardous and flammable materials, including chemicals. Our operations also produce hazardous waste. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. Under certain environmental laws, we could be held responsible for costs relating to any contamination at third-party facilities. We also could incur significant costs associated with civil or criminal fines and penalties.

Compliance with applicable environmental laws and regulations may be expensive, and current or future environmental laws and regulations may impair our research and product development efforts. In addition, we cannot entirely eliminate the risk of accidental injury or contamination from these materials or wastes. Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not carry specific hazardous waste insurance coverage, and our property, casualty and general liability insurance policies specifically exclude coverage for damages and fines arising from hazardous waste exposure or contamination. Accordingly, in the event of contamination or injury, we could be held liable for damages or be penalized with fines in an amount exceeding our resources, and our clinical trials or regulatory approvals could be suspended.

In addition, we may incur substantial costs in order to comply with current or future environmental, health and safety laws, regulations and permitting requirements. These current or future laws, regulations and permitting requirements may impair our research, development or production efforts. Failure to comply with these laws, regulations and permitting requirements also may result in substantial fines, penalties or other sanctions or business disruption. Any third-party contract manufacturers and suppliers we engage will also be subject to these and other environmental, health and safety laws and regulations. Liabilities they incur pursuant to these laws and regulations could result in significant costs or an interruption in operations, which could in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

Disruptions at the FDA and other government agencies caused by funding shortages or global health concerns could hinder their ability to hire, retain or deploy key leadership and other personnel, or otherwise prevent new or modified products from being developed, approved or commercialized in a timely manner or at all, which could negatively impact our business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, statutory, regulatory and policy changes, the FDA's ability to hire and retain key personnel and accept the payment of user fees, and other events that may otherwise affect the FDA's ability to perform routine functions. Average review times at the FDA have fluctuated in recent years as a result. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable. Disruptions at the FDA and other agencies may also slow the time necessary for new biologics or modifications to licensed biologics to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. For example, over the last several years, including for 35 days beginning on December 22, 2018, the U.S.

government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical FDA employees and stop critical activities.

Separately, in response to the ongoing COVID-19 pandemic, since March 2020, when foreign and domestic inspections of facilities were largely placed on hold, the FDA has been working to resume routine surveillance, bioresearch monitoring and pre-approval inspections on a prioritized basis. Ongoing travel restrictions and other uncertainties continue to impact oversight operations both domestic and abroad and it is unclear when standard operational levels will resume. The FDA is continuing to complete mission-critical work, prioritize other higher-tiered inspectional needs (e.g., for-cause inspections), and carry out surveillance inspections using risk-based approaches for evaluating public health. Should the FDA determine that an inspection is necessary for approval and an inspection cannot be completed during the review cycle due to restrictions on travel, and the FDA does not determine a remote interactive evaluation to be adequate, the agency has stated that it generally intends to issue, depending on the circumstances, a complete response letter or defer action on the application until an inspection can be completed. During the COVID-19 public health emergency, a number of companies announced receipt of complete response letters due to the FDA's inability to complete required inspections for their applications. Regulatory authorities outside the United States may adopt similar restrictions or other policy measures in response to the ongoing COVID-19 pandemic. If a prolonged government shutdown occurs, or if global health concerns continue to prevent the FDA or other regulatory authorities from conducting their regular inspections, reviews or other regulatory activities, it could significantly impact the ability of the FDA or other regulatory authorities to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Our relationships with healthcare providers, physicians and third-party payors will be subject to applicable anti-kickback, fraud and abuse, and other healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, contractual damages, reputational harm and diminished profits and future earnings.

Healthcare providers, physicians and third-party payors play a primary role in the recommendation and prescription of any product candidates that we develop for which we obtain marketing approval. Our future arrangements with third-party payors and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we research, market, sell and distribute our medicines for which we obtain marketing approval. Restrictions under applicable federal and state healthcare laws and regulations include the following:

- the federal healthcare anti-kickback statute, which prohibits, among other things, persons from knowingly and willfully soliciting, offering, receiving or providing remuneration (including any kickback, bribe or rebate), directly or indirectly, in cash or in kind, to induce or reward either the referral of an individual for, or the purchase, lease, order, arrangement or recommendation of, any good, facility, item or service, for which payment may be made under federal and state healthcare programs such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it to have committed a violation. Violations are subject to civil and criminal fines and penalties for each violation, plus up to three times the remuneration involved, imprisonment, and exclusion from government healthcare programs;

- the federal civil and criminal false claims laws, including the federal False Claims Act, and civil monetary penalty laws which can be enforced through civil whistleblower or qui tam actions, impose civil and criminal penalties against individuals or entities for knowingly presenting or causing to be presented, to the federal government, claims for payment or approval from Medicare, Medicaid or other government payors that are false or fraudulent or making a false statement to avoid, decrease or conceal an obligation to pay money to the federal government, with potential liability including mandatory treble damages and significant per-claim penalties. Manufacturers can be held liable under the federal False Claims Act even when they do not submit claims directly to government payors if they are deemed to "cause" the submission of false or fraudulent claims. In addition, the government

may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act or federal civil money penalties. The federal False Claims Act also permits a private individual acting as a "whistleblower" to bring actions on behalf of the federal government alleging violations of the federal False Claims Act and to share in any monetary recovery;

- the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which prohibits, among other things, knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private), and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false, fictitious or fraudulent statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare benefits, items or services relating to healthcare matters. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- the U.S. Physician Payments Sunshine Act and its implementing regulations, which requires certain manufacturers of drugs, devices, biologics and medical supplies that are reimbursable under Medicare, Medicaid, or the Children's Health Insurance Program, with specific exceptions, to report annually to CMS information related to certain payments and other transfers of value to physicians (currently defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician practitioners (nurse practitioners, certified nurse anesthetists, physician assistants, clinical nurse specialists, anesthesiology assistants and certified nurse midwives) as well as teaching hospitals. Manufacturers are also required to disclose ownership and investment interests held by physicians and their immediate family members;

- federal government price reporting laws, which require us to calculate and report complex pricing metrics in an accurate and timely manner to government programs; and

- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm customers.

Additionally, we are subject to state and foreign equivalents of each of the healthcare laws and regulations described above, among others, some of which may be broader in scope and may apply regardless of the payor. Many U.S. states have adopted laws similar to the federal Anti-Kickback Statute and False Claims Act, and may apply to our business practices, including, but not limited to, research, distribution, sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental payors, including private insurers. In addition, some states have passed laws that require pharmaceutical companies to comply with the April 2003 Office of Inspector General Compliance Program Guidance for Pharmaceutical Manufacturers and/or the Pharmaceutical Research and Manufacturers of America's Code on Interactions with Healthcare Professionals. Several states also impose other marketing restrictions or require pharmaceutical companies to make marketing or price disclosures to the state and require the registration of pharmaceutical sales representatives.

The provision of benefits or advantages to physicians to induce or encourage the prescription, recommendation, endorsement, purchase, supply, order or use of medicinal products is prohibited in the European Union. The provision of benefits or advantages to induce or reward improper performance generally is typically governed by the national anti-bribery laws of European Union Member States, and the Bribery Act 2010 in the UK. Infringement of these laws could result in substantial fines and imprisonment. EU Directive 2001/83/EC, which is the EU Directive governing medicinal products for human use, further provides that, where

medicinal products are being promoted to persons qualified to prescribe or supply them, no gifts, pecuniary advantages or benefits in kind may be supplied, offered or promised to such persons unless they are inexpensive and relevant to the practice of medicine or pharmacy. This provision has been transposed into the Human Medicines Regulations 2012 and so remains applicable in the UK despite its departure from the EU.

Payments made to physicians in certain European Union Member States must be publicly disclosed. Moreover, agreements with physicians often must be the subject of prior notification and approval by the physician's employer, his or her competent professional organization and/or the regulatory authorities of the individual European Union Member States. These requirements are provided in the national laws, industry codes or professional codes of conduct applicable in the European Union Member States. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

The scope and enforcement of these laws is uncertain and subject to rapid change in the current environment of healthcare reform, especially in light of the lack of applicable precedent and regulations. Federal and state enforcement has led to a number of investigations, prosecutions, convictions and settlements in the healthcare industry. Ensuring that our internal operations and future business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. We have entered into consulting and scientific advisory board arrangements with physicians and other healthcare providers, including some who could influence the use of our product candidates, if approved. Compensation under some of these arrangements includes the provision of stock or stock options in addition to cash consideration. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations, agency guidance or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of the laws described above or any other governmental laws and regulations that may apply to us, we may be subject to significant penalties, including administrative, civil and criminal penalties, damages, fines, disgorgement, the exclusion from participation in federal and state healthcare programs, reputational harm, and the curtailment or restructuring of our operations, as well as additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws. Further, defending against any such actions can be costly and time consuming, and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired. If any of the physicians or other providers or entities with whom we expect to do business are found to not be in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs and individual imprisonment. If any of the above occur, our ability to operate our business and our results of operations could be adversely affected.

Healthcare legislative reform discourse and potential or enacted measures may increase the difficulty and cost for us and any future collaborators to obtain marketing approval of and commercialize our product candidates and affect the prices we, or they, may obtain.

Payors, whether domestic or foreign, or governmental or private, are developing increasingly sophisticated methods of controlling healthcare costs and those methods are not always specifically adapted for new technologies such as gene therapy and therapies addressing rare diseases such as those we are developing. In both the United States and certain foreign jurisdictions, there have been a number of legislative and regulatory changes to the health care system that could impact our ability to sell our products profitably. In particular, in 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively, the ACA, was enacted, which, among other things, subjected biologic products to potential competition by lower-cost biosimilars; addressed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected; increased the minimum Medicaid rebates owed by most manufacturers under the Medicaid Drug Rebate Program; extended the Medicaid Drug Rebate program to utilization of prescriptions of individuals enrolled in Medicaid managed care organizations; subjected manufacturers to new

annual fees and taxes for certain branded prescription drugs; created a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 50% (increased to 70% pursuant to the Bipartisan Budget Act of 2018, effective as of January 1, 2019) point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer's outpatient drugs to be covered under Medicare Part D; and provided incentives to programs that increase the federal government's comparative effectiveness research.

Since enactment of the ACA, there have been numerous executive and legal challenges and Congressional actions to repeal and replace provisions of the law. On June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA. Prior to the Supreme Court's decision, President Biden issued an Executive Order to initiate a special enrollment period from February 15, 2021 through August 15, 2021 for purposes of obtaining health insurance coverage through the ACA marketplace. The Executive Order also instructed certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the ACA. It is unclear how other healthcare reform measures of the Biden administrations or other efforts, if any, to challenge repeal or replace the ACA, will impact our business.

In addition, other legislative changes have been proposed and adopted since the ACA was enacted:

- On August 2, 2011, the U.S. Budget Control Act of 2011, among other things, included aggregate reductions of Medicare payments to providers of 2% per fiscal year. These reductions went into effect on April 1, 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2030, with the exception of a temporary suspension from May 1, 2020 through March 31, 2022 due to the COVID-19 pandemic. Following the temporary suspension, a 1% payment reduction will occur beginning April 1, 2022 through June 30, 2022, and the 2% payment reduction will resume on July 1, 2022.

- In January 2013, the American Taxpayer Relief Act of 2012 became law, which, among other things, reduced Medicare payments to several providers and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. These new laws may result in additional reductions in Medicare and other healthcare funding and otherwise affect the prices we may obtain for any of our product candidates for which we may obtain regulatory approval or the frequency with which any such product candidate is prescribed or used.

- On January 2, 2013, the U.S. American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers.

- On April 13, 2017, CMS published a final rule that gave states greater flexibility in setting benchmarks for insurers in the individual and small group marketplaces, which may have the effect of relaxing the essential health benefits required under the ACA for plans sold through such marketplaces.

- On May 30, 2018, the Right to Try Act, was signed into law. The law, among other things, provides a federal framework for certain patients to access certain investigational new drug products that have completed a Phase 1 clinical trial and that are undergoing investigation for FDA approval. Under certain circumstances, eligible patients can seek treatment without enrolling in clinical trials and without obtaining FDA permission under the FDA expanded access program. There is no obligation for a pharmaceutical manufacturer to make its drug products available to eligible patients as a result of the Right to Try Act.

- On May 23, 2019, CMS published a final rule to allow Medicare Advantage Plans the option of using step therapy for Part B drugs beginning January 1, 2020.

- On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into law, which eliminates the statutory Medicaid drug rebate cap, currently set at 100% of a drug's average manufacturer price, for single source and innovator multiple source drugs, beginning January 1, 2024.

Additionally, there has been increasing legislative and enforcement interest in the United States with respect to drug pricing practices. Specifically, there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which has resulted in several U.S. Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, and review the relationship between pricing and manufacturer patient programs.

At the state level, individual states are increasingly aggressive in passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs. These measures could reduce the ultimate demand for our products, once approved, or put pressure on our product pricing. We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our product candidates or additional pricing pressures.

We expect that the ACA, as well as other healthcare reform measures that may be adopted in the future, may result in additional reductions in Medicare and other healthcare funding, more rigorous coverage criteria, lower reimbursement, and new payment methodologies. This could lower the price that we receive for our products. Any denial in coverage or reduction in reimbursement from Medicare or other government-funded programs may result in a similar denial or reduction in payments from private payors, which may prevent us from being able to generate sufficient revenue, attain profitability or commercialize our products. It is not clear how other future potential changes to the ACA will change the reimbursement model and market outlook for our current and future product candidates.

Our employees, principal investigators, consultants and commercial partners may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements and insider trading.

We are exposed to the risk of fraud or other misconduct by our employees, consultants and partners, and, if we commence clinical trials, our principal investigators. Misconduct by these parties could include intentional failures to comply with FDA regulations or the regulations applicable in the European Union and other jurisdictions, provide accurate information to the FDA, the European Commission and other regulatory authorities, comply with healthcare fraud and abuse laws and regulations in the United States and abroad, report financial information or data accurately, or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Such misconduct also could involve the improper use of information obtained in the course of clinical trials or interactions with the FDA, the European Commission and other regulatory authorities, which could result in regulatory sanctions and cause serious harm to our reputation.

It is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from government investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, financial condition, results of operations and prospects, including the imposition of significant fines or other sanctions.

Laws and regulations governing any international operations we may have in the future may preclude us from developing, manufacturing and selling certain product candidates outside of the United States and require us to develop and implement costly compliance programs.

We are subject to numerous laws and regulations in each jurisdiction outside the United States in which we operate. The creation, implementation and maintenance of international business practices compliance programs is costly and such programs are difficult to enforce, particularly where reliance on third parties is required.

The Foreign Corrupt Practices Act, or FCPA, prohibits any U.S. individual or business from paying, offering, or authorizing the provision of money or anything of value, directly or indirectly through parties, to any foreign official, official of a public international organization, or political party official or candidate for the purpose of influencing any act or decision of the foreign entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the United States to comply with certain accounting provisions requiring the company to maintain books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations. The anti-bribery provisions of the FCPA are enforced primarily by the Department of Justice. The Securities and Exchange Commission, or SEC, is involved with enforcement of the books and records provisions of the FCPA.

Compliance with the FCPA and other anti-corruption laws potentially applicable to our business is expensive and difficult, particularly in countries in which corruption is a recognized problem. In addition, compliance with the FCPA and other anti-corruption laws presents particular challenges in the pharmaceutical industry, because, in many countries, hospitals are operated by the government, and doctors and other hospital employees are considered foreign officials.

Various U.S. export and sanctions laws, regulations and executive orders also restrict the use and dissemination outside of the United States, or the sharing with certain non-U.S. nationals, of certain products and technical data relating to those products. Furthermore, such export and sanctions laws include restrictions or prohibitions on the sale or supply of certain products and services to United States embargoed countries or sanctioned countries, governments, persons and entities. Our expansion outside of the United States has required, and will continue to require, us to dedicate additional resources to comply with these laws, and these laws may preclude us from developing, manufacturing or selling certain drugs and drug candidates outside of the United States, which could limit our growth potential and increase our development costs. The failure to comply with laws governing international business practices may result in substantial penalties, including suspension or debarment from government contracting. Violation of the FCPA and export and sanctions laws can result in significant civil and criminal penalties, imprisonment, the loss of export or import privileges, debarment, breach of contract and fraud litigation, reputational harm, and other consequences. Indictment alone under the FCPA can lead to suspension of the right to do business with the U.S. government until the pending claims are resolved. Conviction of a violation of the FCPA can result in long-term disqualification as a government contractor. The termination of a government contract or relationship as a result of our failure to satisfy any of our obligations under laws governing international business practices would have a negative impact on our operations and harm our reputation and ability to procure government contracts. The SEC also may suspend or bar issuers from trading securities on U.S. exchanges for violations of the FCPA's accounting provisions.

We are subject to stringent data protection, privacy, and security laws, regulations, standards and contractual obligations and actual or perceived failure to comply with such requirements could have a material adverse effect on our business, financial condition, results of operations or prospects.

We are subject to data privacy and protection laws, regulations, policies, standards and contractual obligations that impose certain requirements relating to the collection, transmission, storage and use of personal information. The legislative and regulatory landscape for data privacy and protection continues to evolve in jurisdictions worldwide, and there has been an increasing focus on privacy and data protection issues. Actual or perceived failure to comply with laws and regulations governing personal information could result in government investigations and enforcement actions against us, fines, claims for damages by affected third parties, damage to our reputation and loss of goodwill, any of which could have a material adverse effect on our business, financial condition, results of operations or prospects.

The regulatory framework for the collection, use, safeguarding, sharing, transfer and other processing of personal information worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future. Globally, virtually every jurisdiction in which we operate has established its own data security and privacy frameworks with which we must comply. For example, the collection, use, disclosure, transfer or other processing of personal data, including personal health data, of individuals in the European Economic Area, or EEA, is subject to the European Union General Data Protection Regulation (EU) 2016/679, or the GDPR, as well as national data protection laws in effect in the member states of the EEA. The GDPR went into effect in May 2018, and imposes stringent requirements on companies that process personal data, including requirements relating to processing health-related and other sensitive data, obtaining consent of the individuals to whom the personal data relates, establishing a legal basis for processing, providing information to individuals regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data that requires the adoption of administrative, physical and technical safeguards to protect such information, providing notification of data breaches to appropriate data protection authorities or data subjects, establishing means for data subjects to exercise rights in relation to their personal data and taking certain measures when engaging third-party processors. The GDPR increases our obligations with respect to clinical trials conducted in the EEA by expanding the definition of personal data to include coded data and requiring changes to informed consent practices and more detailed notices for clinical trial subjects and investigators. In addition, the GDPR confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR. It also provides that EEA member states may make their own laws and regulations limiting the processing of personal data, including genetic, biometric or health data. Noncompliant companies face significant fines, which can be up to 4% of global revenues or €20 million, whichever is greater. Further, from January 1, 2021, companies have had to comply with the GDPR and also the United Kingdom GDPR, or the UK GDPR, which, together with the amended UK Data Protection Act 2018, retains the GDPR in UK national law. The UK GDPR mirrors the fines under the GDPR, i.e. fines up to the greater of €20 million (£17.5 million) or 4% of global turnover. The relationship between the United Kingdom and the European Union in relation to certain aspects of data protection law remains unclear, and it is unclear how United Kingdom data protection laws and regulations will develop in the medium to longer term.

Among other requirements, the GDPR and UK GDPR regulate transfers of personal data subject to the GDPR to third countries that have not been found to provide adequate protection to such personal data, including the United States. Switzerland has also adopted similar restrictions on transfer of personal data outside of its borders. In July 2020, the Court of Justice of the EU, or the CJEU, limited how organizations could lawfully transfer personal data from the EU/EEA to the United States by invalidating the Privacy Shield for purposes of international transfers and imposing further restrictions on the use of standard contractual clauses or SCCs. The European Commission issued revised SCCs on June 4, 2021 to account for the decision of the CJEU and recommendations made by the European Data Protection Board. The revised SCCs must be used for relevant new data transfers from September 27, 2021; existing standard contractual clauses arrangements must be migrated to the revised clauses by December 27, 2022. The new SCCs apply only to the transfer of personal data outside of

the EEA and not the UK; the UK's Information Commissioner's Office launched a public consultation on its draft revised data transfers mechanisms in August 2021. For the United Kingdom, the European Commission has adopted an adequacy decision in favor of the United Kingdom, enabling data transfers from EU member states to the United Kingdom without additional safeguards. However, the UK adequacy decision will automatically expire in June 2025 unless the European Commission re-assesses and renews or extends that decision and remains under review by the Commission during this period. In September 2021, the UK government launched a consultation on its proposals for wide-ranging reform of UK data protection laws following Brexit. There is a risk that any material changes which are made to the UK data protection regime could result in the European Commission reviewing the UK adequacy decision, and the UK losing its adequacy decision if the European Commission deems the UK to no longer provide adequate protection for personal data. As supervisory authorities issue further guidance on personal data export mechanisms, including circumstances where the SCCs cannot be used, and/or start taking enforcement action, we could suffer additional costs, complaints and/or regulatory investigations or fines, and/or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations, and could adversely affect our financial results.

If we are unable to implement a valid solution for personal data transfers from the EEA, United Kingdom or Switzerland, including, for example, obtaining individuals' explicit consent to transfer their personal data from the EEA, United Kingdom, and Switzerland to the United States or other countries, we will face increased exposure to regulatory actions, substantial fines and injunctions against processing personal data in those jurisdictions. Inability to import personal data from the EEA, United Kingdom or Switzerland may also restrict our clinical trials activities in those jurisdictions; limit our ability to collaborate with contract research organizations as well as other service providers, contractors and other companies subject to data protection laws in those jurisdictions; and require us to increase our data processing capabilities in those jurisdictions at significant expense. Additionally, other countries outside of the EEA, United Kingdom, and Switzerland have enacted or are considering enacting similar cross-border data transfer restrictions and laws requiring local data residency, which could increase the cost and complexity of delivering our services and operating our business.

Given the breadth and depth of changes in data protection obligations, preparing for and complying with the GDPR and similar laws' requirements are rigorous and time intensive and require significant resources and a review of our technologies, systems and practices, as well as those of any third-party collaborators, service providers, contractors or consultants that process or transfer personal data. The GDPR and other changes in laws or regulations associated with the enhanced protection of certain types of sensitive data, such as healthcare data or other personal information from our clinical trials, could require us to change our business practices and put in place additional compliance mechanisms, may interrupt or delay our development, regulatory and commercialization activities and increase our cost of doing business, and could lead to government enforcement actions, private litigation and significant fines and penalties against us and could have a material adverse effect on our business, financial condition or results of operations.

Similar privacy and data security requirements are either in place or underway in the United States. There are numerous data protection laws that may be applicable to our activities, and a range of enforcement agencies at both the state and federal levels that can review companies for privacy and data security concerns based on general consumer protection laws. The Federal Trade Commission and state Attorneys General are aggressive in reviewing privacy and data security protections for consumers. New laws also are being considered or have been implemented at both the state and federal levels. For example, the California Consumer Privacy Act of 2018, or the CCPA, which became effective on January 1, 2020, requires companies that process information of California consumers (as defined under the CCPA) to provide disclosures to such consumers about their data collection, use and sharing practices, provides Californian consumers with new individual data privacy rights, imposes new operational requirements for covered businesses, provides a private right of action for data breaches and creates a statutory damages framework. Although there are limited exemptions for clinical trial data under the CCPA, the CCPA and other similar laws could impact our business activities depending on how such laws are interpreted. Additionally, effective starting on January 1, 2023, the California Privacy Rights Act, or the

CPRA, will significantly modify the CCPA, including by expanding consumers' rights with respect to certain sensitive personal information. The CPRA also creates a new state agency that will be vested with authority to implement and enforce the CCPA and the CPRA. Many other states are considering similar legislation, and a broad range of legislative measures also have been introduced at the federal level.

Further, regulations promulgated pursuant to HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, or collectively HIPAA, imposes privacy, security and breach notification obligations on health plans, healthcare clearinghouses and certain healthcare providers, known as covered entities, as well as their business associates that perform certain services that involve creating, receiving, maintaining or transmitting individually identifiable health information for or on behalf of such covered entities, and their covered subcontractors. HIPAA establishes privacy and security standards that limit the use and disclosure of protected health information, or PHI, and requires the implementation of administrative, physical and technological safeguards to protect the privacy of PHI and ensure the confidentiality, integrity and availability of electronic PHI. Most healthcare providers, including research institutions from which we obtain patient health information, are subject to HIPAA. We do not believe that we are currently acting as a covered entity or business associate under HIPAA and thus are not directly subject to its requirements. However, any person may be prosecuted under HIPAA's criminal provisions either directly or under aiding-and-abetting or conspiracy principles. Consequently, depending on the facts and circumstances, we could face substantial criminal penalties if we knowingly receive individually identifiable health information from a HIPAA-covered healthcare provider or research institution that has not satisfied HIPAA's requirements for disclosure of individually identifiable health information.

In addition to the risks associated with enforcement activities and potential contractual liabilities, our ongoing efforts to comply with evolving laws and regulations at the federal and state level may be costly and require ongoing modifications to our policies, procedures and systems. Further, any failure by our third-party collaborators, service providers, contractors or consultants to comply with applicable law, regulations or contractual obligations related to data privacy or security could result in proceedings against us by governmental entities or others.

We may also publish privacy policies and other documentation regarding our collection, processing, use and disclosure of personal information and/or other confidential information. Although we endeavor to comply with our published policies and other documentation, we may at times fail to do so or may be perceived to have failed to do so. Despite our efforts, we may not be successful in achieving compliance if our employees or vendors fail to comply with our published policies and documentation. Such failures can subject us to potential international, local, state and federal action if they are found to be deceptive, unfair, or misrepresentative of our actual practices. Claims that we have violated individuals' privacy rights or failed to comply with data protection laws or applicable privacy notices, even if we are not found liable, could be expensive and time-consuming to defend and could result in adverse publicity that could harm our business. We also face a threat of consumer class actions related to these laws and the overall protection of personal information. Even if we are not determined to have violated these laws, government investigations into these issues typically require the expenditure of significant resources and generate negative publicity, which could harm our reputation and our business, financial condition, results of operations or prospects.

If any of our product candidates obtains regulatory approval and does not receive appropriate periods of non-patent exclusivity, competitors could enter the market with generic versions of such products more quickly than we expect, which may result in a material decline in sales of our products.

Under the Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Amendments to the Federal Food, Drug, and Cosmetic Act, or the FDCA, a company may file an abbreviated new drug application, or ANDA, seeking approval of a generic version of an approved innovator product. Under the Hatch-Waxman Amendments, a company may also submit an NDA under section 505(b)(2) of the FDCA that references the FDA's prior approval of the innovator product. A 505(b)(2) NDA product may be for a new or

improved version of the original innovator product. The Hatch-Waxman Amendments also provide for certain periods of regulatory exclusivity, which preclude FDA approval (or in some circumstances, FDA filing and review) of an ANDA or 505(b)(2) NDA.

In the United States, once an NDA is approved, the product covered thereby becomes a "reference listed drug" in the FDA's publication, "*Approved Drug Products with Therapeutic Equivalence Evaluations*," or the Orange Book. Manufacturers may seek approval of generic versions of reference listed drugs through submission of abbreviated new drug applications, or ANDAs, in the United States. In support of an ANDA, a generic manufacturer generally must show that its product has the same active ingredient(s), dosage form, strength, route of administration, and adequate labeling as the reference listed drug and that the generic version is bioequivalent to the reference listed drug, meaning, in part, that it is absorbed in the body at the same rate and to the same extent. Generic products may be significantly less costly to bring to market than the reference listed drug and companies that produce generic products are generally able to offer them at lower prices. Moreover, many states allow or require substitution of therapeutically equivalent generic drugs at the pharmacy level even if the branded drug is prescribed. Thus, following the introduction of a generic drug, a significant percentage of the sales of any branded product or reference listed drug may be lost to the generic product.

The FDA may not finally approve an ANDA for a generic product until any applicable period of non-patent exclusivity for the reference listed drug has expired. The FDCA provides a period of five years of non-patent exclusivity for a new drug containing a new chemical entity, or NCE. For the purposes of this provision, an NCE is a drug that contains no active moiety that has previously been approved by the FDA in any other NDA. An active moiety is the molecule or ion responsible for the physiological or pharmacological action of the drug substance. Specifically, in cases where such exclusivity has been granted, an ANDA may not be filed with the FDA until the expiration of five years unless the submission is accompanied by a patent certification that a patent covering the listed drug is invalid unenforceable or will not be infringed by the generic product. In that case, the applicant may submit its application four years following approval of the listed drug and seek to launch its generic product even if we still have patent protection for our product unless an infringement suit is timely filed by the NDA or patent holder in which case the FDA cannot approve the ANDA for 30 months unless a court decision in favor of the generic manufacturer is issued earlier.

Three-year exclusivity is given to a drug if it contains an active moiety that has previously been approved, and the NDA includes reports of one or more new clinical investigations, other than bioavailability or bioequivalence studies, that were conducted by or for the applicant and are essential to the approval of the NDA. This form of marketing exclusivity is known as New Clinical Investigation, or NCI, exclusivity. If our product candidates are approved with only NCI exclusivity, generic manufacturers may file their ANDAs any time following approval of our product candidates and seek to launch their generic products following the expiration of the three year market exclusivity period, even if we still have patent protection for our product unless an infringement suit is timely filed triggering a 30 month stay on approval of the generic product (subject to the disposition of the patent litigation).

While we believe that our product candidates may be new chemical entities in the U.S., the FDA may determine, however, that they are not eligible for NCE exclusivity but receive three years of NCI exclusivity instead, if and when FDA approves an NDA for the product. If any product we develop does not receive five years of NCE exclusivity, the FDA may approve generic versions of such product three years after its date of approval, subject to any patents exclusivity we may have. If an ANDA applicant certifies to the invalidity or non-infringement of listed patents and an infringement suit is timely filed by the NDA or patent holder, the FDA cannot finally approve the ANDA for 30 months unless a court decision in favor of the generic manufacturer is issued earlier.

Accordingly, if any of our product candidates is approved, competitors could file ANDAs for generic versions of these products or 505(b)(2) NDAs that reference our product candidates. If there are patents listed for our product candidates in the Orange Book, any ANDA and 505(b)(2) NDA applicants would be required to

include a certification as to each listed patent indicating whether the ANDA applicant does or does not intend to challenge the patent. Because we remain early in the research and preclinical development of our product candidates, we cannot predict which, if any, patents in our current portfolio or patents we may obtain in the future will be eligible for listing in the Orange Book, how any generic competitor would address such patents, whether we would sue on any such patents or the outcome of any such suit.

We may not be successful in securing or maintaining proprietary patent protection for products and technologies we develop or license, despite expending a significant amount of resources that could have been focused on other areas of our business. Moreover, if any of our owned or in-licensed patents that are listed in the Orange Book are successfully challenged by way of a patent certification and subsequent litigation, the affected product could immediately face generic competition and its sales would likely decline rapidly and materially.

Risks Related to Commercialization

We face substantial competition, which may result in others discovering, developing or commercializing products before us or more successfully than we do.

The development and commercialization of new drug products is highly competitive. We face competition with respect to our product candidates from major pharmaceutical companies, specialty pharmaceutical companies and biotechnology companies worldwide. There are a number of large pharmaceutical and biotechnology companies that currently market and sell products or are pursuing the development of products for the treatment of many of the disorders for which we are conducting research programs. Some of these competitive products and therapies are based on scientific approaches that are the same as or similar to our approach, and others are based on entirely different approaches. Potential competitors also include academic institutions, government agencies and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than our product candidates or that would render our product candidates obsolete or non-competitive. Our competitors also may obtain FDA, EMA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. Additionally, technologies developed by our competitors may render our potential product candidates uneconomical or obsolete, and we may not be successful in marketing our product candidates against competitors.

We expect to face competition from existing products and product candidates in development for each of our programs. Currently, patients with DMD are treated with corticosteroids to manage the inflammatory component of the disease. EMFLAZA (deflazacort) is an FDA-approved corticosteroid marketed by PTC Therapeutics, Inc., or PTC. People with DMD also use prednisone or prednisolone off-label. In addition, there are four FDA-approved exon skipping drugs: EXONDYS 51 (Eteplirsen), VYONDYS 53 (Golodirsen) and AMONDYS 45 (Casimersen), which are naked phosphorodiamidate morpholino oligonucleotides, or PMOs, approved for the treatment of DMD patients amenable to exon 51, exon 53 and exon 45 skipping, respectively, and are marketed by Sarepta Therapeutics, Inc., or Sarepta, VILTEPSO (Viltolarsen), a naked PMO approved for the treatment of DMD patients amenable to exon 53 skipping, which is marketed in the United States by NS Pharma. Companies focused on developing treatments for DMD that target dystrophin, as our DMD program does, include Sarepta with SRP-5051, a peptide-linked PMO currently being evaluated in a Phase 2 clinical trial for patients amenable to exon 51 skipping, Dyne Therapeutics with DYN-251, an antibody-conjugated PMO that targets exon 51 skipping, BioMarin Pharmaceutical Inc. with BMN-351, a phosphorothioate oligonucleotide that targets exon 51 skipping, Wave Life Sciences Ltd. with WVE-N531, a stereopure oligonucleotide in Phase 1/2 clinical development for patients amenable to exon 53 skipping, Daiichi Sankyo with DS-5141b, an exon

skipping approach for exon 45 in clinical development, PTC with ataluren, a small molecule targeting nonsense mutations in a Phase 3 clinical trial, Nippon Shinyaku with NS-089/NCNP-02, an oligonucleotide that targets exon 44 skipping that is currently in clinical development, Avidity Biosciences, Inc., which is in preclinical development with AOC 1044, an antibody oligonucleotide conjugate that targets exon 44 skipping, and Entrada Therapeutics, Inc., which is in preclinical development with ENTR-601-44, a peptide oligonucleotide conjugate that targets exon 44 skipping. In addition, several companies are developing gene therapies to treat DMD, including Pfizer Inc. (PF-06939926), which is currently being assessed in a Phase 3 clinical trial, Sarepta (SRP-9001 and Galgt2 gene therapy program), the former of which is currently being assessed in a Phase 3 clinical trial, Solid Biosciences Inc. (SGT-001), currently in Phase 2 clinical development and REGENXBIO Inc (RGX-202), currently in Phase 1 clinical development. Astellas Gene Therapies is using AAV gene therapy approaches to skip exons in the dystrophin gene. Gene editing treatments that are in preclinical development are also being pursued by Vertex, Sarepta and Eli Lilly. We are also aware of several companies targeting non-dystrophin mechanisms for the treatment of DMD, including Edgewise Therapeutics with EDG-5506, a muscle stabilizer that is currently in clinical development.

There are currently no approved therapies to treat the underlying cause of DM1. Product candidates currently in development to treat DM1 include: tideglusib, a GSK3-ß inhibitor in late-stage clinical development by AMO Pharma Ltd. for the congenital phenotype of DM1; AT466, which is an AAV-antisense candidate in preclinical development by Astellas Gene Therapies; AOC 1001, an antibody linked siRNA in Phase 1/2 clinical development by Avidity Biosciences, Inc.; DYN-101, an antibody conjugated antisense oligonucleotide in preclinical development by Dyne Therapeutics; a microRNA small molecule approach by Arthex Biotech; an antisense peptide nucleic acid approach by NeuBase Therapeutics currently in preclinical development; gene editing treatments in preclinical development by Vertex Pharmaceuticals, Inc., or Vertex; an artificial site-specific RNA endonuclease gene therapy being developed by Enzerna Biosciences; an RNA-targeting gene therapy in preclinical development by Locana, Inc.; an approach by Design Therapeutics to prevent formation of CUG hairpins; an approach utilizing the interaction of small molecules with RNA in preclinical development by Expansion Therapeutics, Inc.; a peptide-conjugated PMO in preclinical development by Entrada Therapeutics; and therapeutics based on biomolecular condensate biology in preclinical development by Dewpoint Therapeutics, Inc.

We will also compete more generally with other companies developing alternative scientific and technological approaches, including other companies working to develop conjugates with oligonucleotides for extra-hepatic delivery, including Alnylam Pharmaceuticals, Aro Biotherapeutics, Arrowhead Therapeutics, Avidity Biosciences, Dicerna Pharmaceuticals, Inc., Dyne Therapeutics, Entrada Therapeutics, Ionis Pharmaceuticals, NeuBase Therapeutics, Inc., PYC Therapeutics and Sarepta, as well as gene therapy and gene editing approaches.

Many of the companies against which we compete or against which we may compete in the future have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. Accordingly, our competitors may be more successful than us in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining approval for treatments and achieving widespread market acceptance, rendering our treatments obsolete or non-competitive.

Additionally, mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller and other early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

If we successfully obtain approval for any product candidate, we will face competition based on many different factors, including the safety and effectiveness of our products, the ease with which our products can be

administered and the extent to which patients accept relatively new routes of administration, the timing and scope of regulatory approvals for these products, the availability and cost of manufacturing, marketing and sales capabilities, price, reimbursement coverage and patent position. Competing products could present superior treatment alternatives, including by being more effective, safer, more convenient, less expensive or marketed and sold more effectively than any of our products, if approved. Competitive products or technological approaches may make any products we develop, or our EDO platform, obsolete or noncompetitive before we recover the expense of developing and commercializing our product candidates. If we are unable to compete effectively, our opportunity to generate revenue from the sale of our products, if approved, could be adversely affected.

Even if one or more of our product candidates receives marketing approval, it may fail to achieve the degree of market acceptance by physicians, patients, third-party payors and others in the medical community necessary for commercial success.

If any of our product candidates progresses successfully through clinical development and receives marketing approval, it may nonetheless fail to gain sufficient market acceptance by physicians, patients, third-party payors and others in the medical community. Sales of medical products depend in part on the willingness of physicians to prescribe the treatment, which is likely to be based on a determination by these physicians that the products are safe, therapeutically effective and cost-effective. In addition, the inclusion or exclusion of products from treatment guidelines established by various physician groups and the viewpoints of influential physicians can affect the willingness of other physicians to prescribe the treatment. We cannot predict whether physicians, physicians' organizations, hospitals, other healthcare providers, government agencies or private insurers will determine that our product is safe, therapeutically effective and cost-effective as compared with competing treatments. Efforts to educate the medical community and third-party payors on the benefits of our product candidates may require significant resources and may not be successful. If our product candidates do not achieve an adequate level of acceptance, we may not generate significant product revenues and we may not become profitable. The degree of market acceptance of our product candidates, if approved for commercial sale, will depend on a number of factors, including:

- the efficacy and safety of such product candidates as demonstrated in clinical trials;
- the potential advantages and limitations compared to alternative treatments;
- the effectiveness of sales and marketing efforts;
- the cost of treatment in relation to alternative treatments;
- the clinical indications for which the product is approved;
- the convenience and ease of administration compared to alternative treatments;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the strength of marketing and distribution support;
- the timing of market introduction of competitive products;
- the availability of third-party coverage and adequate reimbursement;
- the prevalence and severity of any side effects; and
- any restrictions on the use of our products, if approved, together with other medications.

If the market opportunities for any product candidates we develop are smaller than we believe they are, our revenue may be adversely affected, and our business may suffer. Because the target patient populations of our programs are small, and the addressable patient population even smaller, we must be able to successfully identify patients and capture a significant market share to achieve profitability and growth.

We focus our research and product development on treatments for rare diseases. Given the small number of patients who have the diseases that we are targeting, it is critical to our ability to grow and become profitable that we continue to successfully identify patients with these rare diseases. Our projections of both the number of people who have these diseases, as well as the subset of people with these diseases who have the potential to benefit from treatment with our product candidates, are based on our beliefs and estimates. These estimates have been derived from a variety of sources, including the scientific literature, surveys of clinics, patient foundations or market research that we conducted, and may prove to be incorrect or contain errors. New studies may change the estimated incidence or prevalence of these diseases. The number of patients may turn out to be lower than expected. The effort to identify patients with diseases we seek to treat is in early stages, and we cannot accurately predict the number of patients for whom treatment might be possible. Additionally, the potentially addressable patient population for each of our product candidates may be limited or may not be amenable to treatment with our product candidates, and new patients may become increasingly difficult to identify or gain access to, which would adversely affect our results of operations and our business. Further, even if we obtain significant market share for our product candidates, because the potential target populations are very small, we may never achieve profitability despite obtaining such significant market share.

Our target patient populations are relatively small, and as a result, the pricing and reimbursement of our product candidates, if approved, is uncertain, but must be adequate to support commercial infrastructure. If we are unable to obtain adequate levels of reimbursement, our ability to successfully market and sell product candidates will be adversely affected.

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, our business may not grow at similar rates, or at all.

Market opportunity estimates and growth forecasts included in this prospectus are subject to significant uncertainty and are based on assumptions and estimates which may not prove to be accurate. The estimates and forecasts included in this prospectus relating to size and expected growth of our target market may prove to be inaccurate. Even if the markets in which we compete meet the size estimates and growth forecasts included in this prospectus, our business may not grow at similar rates, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties.

The pricing and third-party payor coverage and reimbursement status of newly approved products are uncertain. Failure to obtain or maintain adequate coverage and reimbursement for our future product candidates, if approved, could limit our ability to market those products and decrease our ability to generate product revenue.

In the United States and markets in other countries, patients generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Adequate coverage and reimbursement from governmental healthcare programs, such as Medicare and Medicaid, and commercial payors is critical to new product acceptance. Our ability to successfully commercialize our product candidates will depend in part on the extent to which coverage and adequate reimbursement for these products and related treatments will be available from government health administration authorities, private health insurers and other organizations. For products administered under the supervision of a physician, obtaining coverage and adequate reimbursement may be particularly difficult because of the higher prices often associated with such drugs. Even if coverage is provided, the approved reimbursement amount may not be high enough to allow us to establish or maintain pricing sufficient to realize a sufficient return on our investment.

Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which medications they will pay for and establish reimbursement levels. There is significant uncertainty related to the insurance coverage and reimbursement of newly approved products. In the United States, the decisions about coverage and reimbursement for new products under the Medicare program are made by the Centers for Medicare & Medicaid Services, or CMS. Private payors tend to follow CMS to a substantial degree. However, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage for the drug product. Further, a payor's decision to provide coverage for a drug product does not imply that an adequate reimbursement rate will be approved. Reimbursement agencies in the European Union may be more conservative than CMS. Factors payors consider in determining coverage are based on whether the product is:

- a covered benefit under its health plan;
- safe, effective and medically necessary;
- appropriate for the specific patient;
- cost-effective; and
- neither experimental nor investigational.

Additionally, net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Increasingly, third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. We cannot be sure that reimbursement will be available for any product candidate that we commercialize and, if reimbursement is available, the level of reimbursement. In addition, many pharmaceutical manufacturers must calculate and report certain price reporting metrics to the government, such as average sales price, or ASP, and best price. Penalties may apply in some cases when such metrics are not submitted accurately and timely. Further, these prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs.

Outside the United States, international operations are generally subject to extensive governmental price controls and other market regulations, and we believe the increasing emphasis on cost-containment initiatives in Europe, Canada and other countries has and will continue to put pressure on the pricing and usage of therapeutics such as our product candidates. In many countries, particularly the countries of the European Union, the prices of medical products are subject to varying price control mechanisms as part of national health systems. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product. As a result, we might obtain marketing approval for a product in a particular country, but then be subject to price regulations that delay or might even prevent our commercial launch of the product, possibly for lengthy periods of time. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidate to other available therapies. In general, the prices of products under such systems are substantially lower than in the United States. Other countries allow companies to fix their own prices for products but monitor and control company profits. Additional foreign price controls or other changes in pricing regulation could restrict the amount that we are able to charge for product candidates. Accordingly, in markets outside the United States, the reimbursement for our product candidates may be reduced compared with the United States and may be insufficient to generate commercially reasonable revenues and profits.

If we are unable to establish sales, marketing and distribution capabilities or enter into sales, marketing and distribution agreements with third parties, we may not be successful in commercializing our product candidates if any are approved.

We do not have a sales or marketing infrastructure and have no experience in the sale, marketing or distribution of pharmaceutical products. To achieve commercial success for any product for which we have obtained marketing approval, we will need to establish a sales, marketing and distribution organization, either ourselves or through collaborations or other arrangements with third parties.

In the future, we may build a sales and marketing infrastructure to market certain of our product candidates if they receive marketing approval. There are risks involved with establishing our own sales, marketing and distribution capabilities. For example, recruiting and training a sales force is expensive and time-consuming and could delay any product launch. If the commercial launch of a product candidate for which we recruit a sales force and establish marketing capabilities is delayed or does not occur for any reason, we would have prematurely or unnecessarily incurred these commercialization expenses. These efforts may be costly, and our investment would be lost if we cannot retain or reposition our sales and marketing personnel.

Factors that may inhibit our efforts to commercialize our products on our own include:

- our inability to recruit, train and retain adequate numbers of effective sales, marketing, coverage or reimbursement, customer service, medical affairs and other support personnel;
- the inability of sales personnel to educate adequate numbers of physicians on the benefits of any future products;
- the inability of reimbursement professionals to negotiate arrangements for formulary access, reimbursement and other acceptance by payors;
- the inability to price our products at a sufficient price point to ensure an adequate and attractive level of profitability;
- restricted or closed distribution channels that make it difficult to distribute our products to segments of the patient population;
- the lack of complementary products to be offered by sales personnel, which may put us at a competitive disadvantage relative to companies with more extensive product lines; and
- unforeseen costs and expenses associated with creating an independent sales and marketing organization.

If we are unable to establish our own sales, marketing and distribution capabilities and we enter into arrangements with third parties to perform these services, our product revenues and our profitability, if any, are likely to be lower than if we were to market, sell and distribute any products that we develop ourselves. In addition, we may not be successful in entering into arrangements with third parties to sell, market and distribute our product candidates or may be unable to do so on terms that are acceptable to us. We likely will have little control over such third parties, and any of them may fail to devote the necessary resources and attention to sell and market our products effectively. If we do not establish sales, marketing and distribution capabilities successfully, either on our own or in collaboration with third parties, we will not be successful in commercializing our product candidates.

Risks Related to Our Intellectual Property

If we or our licensors are unable to obtain, maintain and defend patent and other intellectual property protection for any product candidates or technology, or if the scope of the patent or other intellectual property protection obtained is not sufficiently broad, our competitors could develop and commercialize products and technology similar or identical to ours, and our ability to successfully develop and commercialize our product candidates or our technology may be adversely affected due to such competition.

Our success depends in large part on our and our licensors' ability to obtain and maintain patent and other intellectual property protection in the United States and other jurisdictions. We and our licensors have sought, and will seek, to protect our proprietary position by filing additional patent applications in the United States and abroad related to certain technologies and our platform that are important to our business. However, our patent portfolio is at an early stage; except for one issued patent and four applications currently under examination, which we in-licensed from Oxford University and the Medical Research Council of United Kingdom Research and Innovation, substantive examination of the currently pending patent applications we own or license has yet to begin. In addition, there can be no assurance as to whether or when our patent applications will issue as granted patents. Our ability to stop third parties from making, using, selling, marketing, offering to sell, importing and commercializing our product candidates and our technology is dependent upon the extent to which we have rights under valid and enforceable patents and other intellectual property that cover our platform and technology. If we are unable to secure, maintain, defend and enforce patents and other intellectual property with respect to our product candidates and our technology, it would have a material adverse effect on our business, financial condition, results of operations and prospects.

Our pending Patent Cooperation Treaty, or PCT, patent applications are not eligible to become issued patents until, among other things, we file a national stage patent application within 30 to 32 months, depending on the jurisdiction, from such application's priority date in the jurisdictions in which we are seeking patent protection. Similarly, our pending provisional patent applications are not eligible to become issued patents until, among other things, we file a non-provisional patent application within 12 months of such provisional patent application's filing date. If we do not timely file such national stage patent applications or non-provisional patent applications, we may lose our priority date with respect to such PCT or provisional patent applications, respectively, and any patent protection on the inventions disclosed in such PCT or provisional patent applications, respectively. While we and our licensors intend to timely file national stage and non-provisional patent applications relating to our PCT and provisional patent applications, respectively, we cannot predict whether any such patent applications will result in the issuance of patents. If we or our licensors do not successfully obtain issued patents, or, if the scope of any patent protection we or our licensors obtain is not sufficiently broad, we will be unable to prevent others from using our product candidates or our technology or from developing or commercializing technology and products similar or identical to ours or other competing products and technologies. Any failure to obtain or maintain patent protection with respect to our product candidates or our EDO platform would have a material adverse effect on our business, financial condition, results of operations and prospects.

The patent prosecution process is expensive, time-consuming and complex, and we and our licensors may not be able to file, prosecute, maintain, defend, enforce or license all necessary or desirable patent applications at a reasonable cost or in a timely manner. We and our licensors may not be able to obtain, maintain or defend patents and patent applications due to the subject matter claimed in such patents and patent applications being in the public domain. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. Although we enter into non-disclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development output, such as our employees, corporate collaborators, outside scientific collaborators, contract manufacturers, consultants, advisors and other third parties, any of these parties may breach these agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection. Consequently, we would not be able to prevent any third party from using any of our technology that is in the public domain to compete with our product candidates.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has, in recent years, been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of patent rights are highly uncertain. Our pending and future owned and licensed patent applications may not result in patents being issued which protect our technology or product candidates, effectively prevent others from commercializing competitive technologies and product or otherwise provide any competitive advantage. In fact, patent applications may not issue as patents at all, and even if such patent applications do issue as patents, they may not issue in a form, or with a scope of claims, that will provide us with any meaningful protection, prevent others from competing with us or otherwise provide us with any competitive advantage. In addition, the scope of claims of an issued patent can be reinterpreted after issuance, and changes in either the patent laws or interpretation of the patent laws in the United States and other jurisdictions may diminish the value of our patent rights or narrow the scope of our patent protection. Furthermore, our competitors or other third parties may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner.

Third parties have developed technologies that may be related or competitive to our own technologies and product candidates and may have filed or may file patent applications, or may have obtained issued patents, claiming inventions that may overlap or conflict with those claimed in our owned or licensed patent applications or issued patents. We may not be aware of all third-party intellectual property rights potentially relating to our current and future product candidates and technology. Publications of discoveries in the scientific literature often lag the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing or, in some cases, not at all. Therefore, we cannot know for certain whether the inventors of our owned or licensed patents and patent applications were the first to make the inventions claimed in any owned or licensed patents or pending patent applications, or that we were the first to file for patent protection of such inventions. If a third party can establish that we or our licensors were not the first to make or the first to file for patent protection of such inventions, our owned or licensed patent applications may not issue as patents and even if issued, may be challenged and invalidated or ruled unenforceable.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in the United States and other jurisdictions. For example, we may be subject to a third-party submission of prior art to the United States Patent and Trademark Office, or USPTO, challenging the validity of one or more claims of our owned or licensed patents. Such submissions may also be made prior to a patent's issuance, precluding the granting of a patent based on one of our owned or licensed pending patent applications. We may become involved in opposition, derivation, re-examination, *inter partes* review, post-grant review or interference proceedings and similar proceedings in foreign jurisdictions (for example, opposition proceedings) challenging our owned or licensed patent rights. In addition, a third party may claim that our owned or licensed patent rights are invalid or unenforceable in a litigation. An adverse result in any litigation or patent office proceeding could put one or more of our owned or licensed patents at risk of being invalidated, ruled unenforceable or interpreted narrowly and could allow third parties to commercialize products identical or similar to our product candidates and compete directly with us, without payment to us. Moreover, we, or one of our licensors, may have to participate in interference proceedings declared by the USPTO to determine priority of invention or in post-grant challenge proceedings, such as oppositions in a foreign patent office, that challenge priority of invention or other features of patentability. Such challenges and proceedings may result in loss of patent rights, exclusivity or in patent claims being narrowed, invalidated or held unenforceable, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and our product candidates. Such challenges and proceedings may also result in substantial cost and require significant time from our scientists and management, even if the eventual outcome is favorable to us. Moreover, there could be public announcements of the results of hearings, motions or other interim proceedings or developments related to such challenges and proceedings. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

Furthermore, patents have a limited lifespan. In the United States, the expiration of a patent is generally 20 years from the earliest date of filing of the first non-provisional patent application to which the patent claims priority. Patent term adjustments and extensions may be available; however, the overall term of a patent, and the protection it affords, is limited. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such product candidates might expire before or shortly after such product candidates are commercialized. As a result, our owned and licensed patent and other intellectual property rights may not provide us with sufficient rights to exclude others from commercializing products similar or identical to our technology and our product candidates. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

Our rights to develop and commercialize any product candidates are subject and may in the future be subject, in part, to the terms and conditions of licenses granted to us by third parties. If we fail to comply with our obligations under our current or future intellectual property license agreements or otherwise experience disruptions to our business relationships with our current or any future licensors, we could lose intellectual property rights that are important to our business.

We are and expect to continue to be reliant upon third-party licensors for certain patent and other intellectual property rights that are important or necessary to the development of our technology and product candidates. For example, we rely on a license from Oxford University Innovation Limited, or OUI, and the Medical Research Council of United Kingdom Research and Innovation, or MRC, to certain patent rights and know-how of OUI and MRC, or the OUI/MRC License. The OUI/MRC License imposes, and we expect that any future license agreement will impose, specified diligence, milestone payment, fee payment, royalty, commercialization, development and other obligations on us and require us to meet development timelines, or to exercise diligent or commercially reasonable efforts to develop and commercialize licensed products, in order to maintain the licenses. See the section titled “Business—Intellectual property—License agreement with Oxford University Innovation Limited and the Medical Research Council of United Kingdom Research and Innovation” appearing elsewhere in this prospectus for more information about the terms of the OUI/MRC License.

Furthermore, our licensors have, or may in the future have, the right to terminate a license if we materially breach the agreement and fail to cure such breach within a specified period or in the event we undergo certain bankruptcy events. In spite of our best efforts, our current or any future licensors might conclude that we have materially breached our license agreements and might therefore terminate the license agreements. If our license agreements are terminated, we may lose our rights to develop and commercialize product candidates and technology, lose patent protection, experience significant delays in the development and commercialization of our product candidates and technology, and incur liability for damages. If these in-licenses are terminated, or if the underlying intellectual property fails to provide the intended exclusivity, our competitors or other third parties could have the freedom to seek regulatory approval of, and to market, products and technologies identical or competitive to ours and we may be required to cease our development and commercialization of certain of our product candidates and technology. In addition, we may seek to obtain additional licenses from our licensors and, in connection with obtaining such licenses, we may agree to amend our existing licenses in a manner that may be more favorable to the licensors, including by agreeing to terms that could enable third parties, including our competitors, to receive licenses to a portion of the intellectual property that is subject to our existing licenses and to compete with our product candidates and our technology. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

Disputes may arise regarding intellectual property subject to a licensing agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- our or our licensors’ ability to obtain, maintain and defend intellectual property and to enforce intellectual property rights against third parties;

- the extent to which our technology, product candidates and processes infringe, misappropriate or otherwise violate the intellectual property of the licensor that is not subject to the license agreement;
- the sublicensing of patent and other intellectual property rights under our license agreements;
- our diligence, development, regulatory, commercialization, financial or other obligations under the license agreement and what activities satisfy those diligence obligations;
- the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our current or future licensors and us and our partners; and
- the priority of invention of patented technology.

In addition, the OUI/MRC License is, and future license agreements are likely to be, complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our diligence, development, regulatory, commercialization, financial or other obligations under the relevant agreement. In addition, if disputes over intellectual property that we have licensed or any other dispute related to our license agreements prevent or impair our ability to maintain our license agreements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates and technology. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

While the OUI/MRC License grants certain exclusive patent and technology rights to us, license agreements we may enter into in the future may be non-exclusive. Accordingly, third parties may also obtain non-exclusive licenses from such licensors with respect to the intellectual property licensed to us under such license agreements. Accordingly, these license agreements may not provide us with exclusive rights to use such licensed patent and other intellectual property rights, or may not provide us with exclusive rights to use such patent and other intellectual property rights in all relevant fields of use and in all territories in which we may wish to develop or commercialize our technology and our product candidates.

Moreover, some of our in-licensed patent and other intellectual property rights are, and may in the future be, subject to third party interests such as co-ownership. If we are unable to obtain an exclusive license to such third-party co-owners' interest, in such patent and other intellectual property rights, such third-party co-owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products and technology. We or our licensors may need the cooperation of any such co-owners of our licensed patent and other intellectual property rights in order to enforce them against third parties, and such cooperation may not be provided to us or our licensors.

Additionally, we may not have complete control over the preparation, filing, prosecution, maintenance, enforcement and defense of patents and patent applications that we license from third parties. It is possible that our licensors' filing, prosecution and maintenance of the licensed patents and patent applications, enforcement of patents against infringers or defense of such patents against challenges of validity or claims of enforceability may be less vigorous than if we had conducted them ourselves, and accordingly, we cannot be certain that these patents and patent applications will be prepared, filed, prosecuted, maintained, enforced and defended in a manner consistent with the best interests of our business. If our licensors fail to file, prosecute, maintain, enforce and defend such patents and patent applications, or lose rights to those patents or patent applications, the rights we have licensed may be reduced or eliminated, our right to develop and commercialize any of our technology and any product candidates we may develop that are the subject of such licensed rights could be adversely affected and we may not be able to prevent competitors or other third parties from making, using and selling competing products.

Furthermore, our owned and in-licensed patent rights may be subject to a reservation of rights by one or more third parties. When new technologies are developed with government funding, in order to secure ownership of patent rights related to the technologies, the recipient of such funding is required to comply with certain government regulations, including timely disclosing the inventions claimed in such patent rights to the U.S. or foreign government and timely electing title to such inventions. A failure to meet these obligations may lead to a loss of rights or the unenforceability of relevant patents or patent applications.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting, maintaining, enforcing and defending patents and other intellectual property rights on our technology and our product candidates in all jurisdictions throughout the world would be prohibitively expensive, and accordingly, our intellectual property rights in some jurisdictions outside the United States could be less extensive than those in the United States. In some cases, we or our licensors may not be able to obtain patent or other intellectual property protection for certain technology and product candidates outside the United States. In addition, the laws of some foreign jurisdictions do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we and our licensors may not be able to obtain issued patents or other intellectual property rights covering our product candidates and our technology in all jurisdictions outside the United States and, as a result, may not be able to prevent third parties from practicing our and our licensors' inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Third parties may use our technologies in jurisdictions where we and our licensors have not pursued and obtained patent or other intellectual property protection to develop their own products and, further, may export otherwise infringing, misappropriating or violating products to territories where we have patent or other intellectual property protection, but enforcement is not as strong as that in the United States. These products may compete with our product candidates and our technology and our or our licensors' patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Additionally, many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain jurisdictions, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement, misappropriation or other violation of our patent and other intellectual property rights or marketing of competing products in violation of our intellectual property rights generally. For example, an April 2019 report from the Office of the United States Trade Representative identified a number of countries, including China, Russia, Argentina, Chile and India, where challenges to the procurement and enforcement of patent rights have been reported. Proceedings to enforce our or our licensors' patent and other intellectual property rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patent and other intellectual property rights at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We or our licensors may not prevail in any lawsuits that we or our licensors initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Many jurisdictions have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, many jurisdictions limit the enforceability of patents against government agencies or government contractors. In these jurisdictions, the patent owner may have limited remedies, which could materially diminish the value of such patents. If we or any of our licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired, and our business, financial condition, results of operations and prospects may be adversely affected.

We may be involved in lawsuits to protect or enforce our patents or other intellectual property or the intellectual property of our licensors, which could be expensive, time-consuming, and unsuccessful.

Competitors may infringe our patents or other intellectual property or the intellectual property of our licensors. To cease such infringement or unauthorized use, we may be required to file patent infringement claims, which can be expensive and time-consuming and divert the time and attention of our management and scientific personnel. Our pending patent applications cannot be enforced against third parties practicing the technology claimed in such applications unless and until a patent issues from such applications. In addition, in an infringement proceeding or a declaratory judgment action, a court may decide that one or more of our patents is not valid or is unenforceable, or may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation or defense proceeding could put one or more of our patents at risk of being invalidated, held unenforceable, or interpreted narrowly and could put our patent applications at risk of not issuing. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business.

Even if we establish infringement, the court may decide not to grant an injunction against further infringing activity and instead award only monetary damages, which may or may not be an adequate remedy. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

Changes in patent law in the United States or worldwide could diminish the value of patents in general, thereby impairing our ability to protect our product candidates and our technology.

Changes in either the patent laws or interpretation of patent laws in the United States and worldwide, including patent reform legislation such as the Leahy-Smith America Invents Act, or the Leahy-Smith Act, could increase the uncertainties and costs surrounding the prosecution of any owned or in-licensed patent applications and the maintenance, enforcement or defense of any current in-licensed issued patents and issued patents we may own or in-license in the future. The Leahy-Smith Act includes a number of significant changes to U.S. patent law. These changes include provisions that affect the way patent applications are prosecuted, redefine prior art, provide more efficient and cost-effective avenues for competitors to challenge the validity of patents, and enable third-party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent at USPTO-administered post-grant proceedings, including post-grant review, *inter partes* review, and derivation proceedings. Assuming that other requirements for patentability are met, prior to March 2013, in the United States, the first to invent the claimed invention was entitled to the patent, while outside the United States, the first to file a patent application was entitled to the patent. After March 2013, under the Leahy-Smith Act, the United States transitioned to a first-to-file system in which, assuming that the other statutory requirements for patentability are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. As such, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our in-licensed issued patents and issued patents we may own or in-license in the future, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we or our licensors were the first to either (i) file any patent application related to our product candidates or (ii) invent any of the inventions claimed in our or our licensor's patents or patent applications.

The America Invents Act also includes a number of significant changes that affect the way patent applications will be prosecuted and also may affect patent litigation. These include allowing third party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity

of a patent by USPTO administered post-grant proceedings, including post-grant review, inter partes review, and derivation proceedings. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in United States federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim unpatentable even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to review patentability of our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. Therefore, the America Invents Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our owned or in-licensed patent applications and the enforcement or defense of our owned or in-licensed issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

In addition, the patent positions of companies in the development and commercialization of pharmaceuticals are particularly uncertain. Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. As one example, in the case Assoc. for Molecular Pathology v. Myriad Genetics, Inc., the U.S. Supreme Court held that certain claims to DNA molecules are not patentable simply because they have been isolated from surrounding material. Moreover, in 2012, the USPTO issued a guidance memo to patent examiners indicating that process claims directed to a law of nature, a natural phenomenon or a naturally occurring relation or correlation that do not include additional elements or steps that integrate the natural principle into the claimed invention such that the natural principle is practically applied and the claim amounts to significantly more than the natural principle itself should be rejected as directed to patent-ineligible subject matter. Accordingly, in view of the guidance memo, there can be no assurance that claims in our patent rights covering our product candidates or our technology will be held by the USPTO or equivalent foreign patent offices or by courts in the United States or in foreign jurisdictions to cover patentable subject matter. This combination of events has created uncertainty with respect to the validity and enforceability of patents once obtained. Depending on future actions by the U.S. Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could have a material adverse effect on our patent rights and our ability to protect, defend and enforce our patent rights in the future.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by government patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other government fees on patents and/or patent applications will be due to be paid to the USPTO and various government patent agencies outside of the United States over the lifetime of our owned or licensed patent rights. We rely on our outside counsel and other professionals or our licensing partners to pay these fees due to the USPTO and non-U.S. government patent agencies. The USPTO and various non-U.S. government patent agencies also require compliance with several procedural, documentary and other similar provisions during the patent application process. We rely on our outside counsel and other professionals to help us comply and we are also dependent on our licensors to take the necessary action to comply with these requirements with respect to our licensed intellectual property. In many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. There are situations, however, in which non-compliance can result in abandonment, loss of priority or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, potential competitors might be able to enter the market and this circumstance could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

We may not be successful in obtaining necessary rights to our product candidates through acquisitions and in-licenses.

We currently have rights to certain intellectual property through the OUI/MRC License. Because our programs may require the use of additional intellectual property rights held by third parties, the growth of our business likely will depend, in part, on our ability to acquire, in-license or use these intellectual property rights. In addition, with respect to any patent or other intellectual property rights that we co-own with third parties, we may require exclusive licenses to such co-owners' interest in such patent or other intellectual property rights. However, we may be unable to secure such licenses or otherwise acquire or in-license any intellectual property rights related to compositions, methods of use, processes or other components from third parties that we identify as necessary for our product candidates and our technology on commercially reasonable terms, or at all. Even if we are able to in-license any such necessary intellectual property, it could be on non-exclusive terms, thereby giving our competitors and other third parties access to the same intellectual property licensed to us, and the applicable licensors could require us to make substantial licensing and royalty payments. The licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment.

We sometimes collaborate with non-profit and academic institutions to accelerate our preclinical research or development under written agreements with these institutions. Typically, these institutions provide us with an option to negotiate a license to any of the institution's rights in technology resulting from the collaboration. Regardless of such option, we may be unable to negotiate a license within the specified timeframe or under terms that are acceptable to us. If we are unable to do so, the institution may offer the intellectual property rights to third parties, potentially blocking our ability to pursue our research program and develop and commercialize our product candidates.

If we are unable to successfully obtain rights to required third-party intellectual property rights or maintain the existing intellectual property rights we have licensed, we may be required to expend significant time and resources to redesign our product candidates or the methods for manufacturing them or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis. If we are unable to do so, we may be unable to develop or commercialize the affected product candidates, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Issued patents covering our product candidates could be found invalid or unenforceable if challenged in court or before administrative bodies in the United States or abroad.

Our owned and licensed patent rights may be subject to priority, validity, inventorship and enforceability disputes. If we or our licensors are unsuccessful in any of these proceedings, such patent rights may be narrowed, invalidated or held unenforceable, we may be required to obtain licenses from third parties, which may not be available on commercially reasonable terms or at all, or we may be required to cease the development, manufacture and commercialization of one or more of our product candidates. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

If we or one of our licensors initiate legal proceedings against a third party to enforce a patent covering our product candidates or our technology, the defendant could counterclaim that the patent covering the product candidate or technology is invalid or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. Grounds for a validity challenge could be

an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, lack of written description or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld information material to patentability from the USPTO, or made a misleading statement, during prosecution. Third parties also may raise similar claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, interference proceedings, derivation proceedings, post grant review, *inter partes* review and equivalent proceedings such as opposition, invalidation and revocation proceedings in foreign jurisdictions. Such proceedings could result in the revocation or cancellation of or amendment to our patents in such a way that they no longer cover our product candidates or our technology or prevent third parties from competing with our product candidates or our technology. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which the patent examiner and we or our licensing partners were unaware during prosecution. If a third party were to prevail on a legal assertion of invalidity or unenforceability, we could lose at least part, and perhaps all, of the patent protection on one or more of our product candidates or technology. Such a loss of patent protection could have a material adverse effect on our business, financial condition, results of operations and prospects.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to the protection afforded by patents, we rely on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable or that we elect not to patent, processes for which patents are difficult to enforce and any other elements of our product candidate discovery and development processes that involve proprietary know-how, information or technology that is not covered by patents. However, trade secrets can be difficult to protect and some courts inside and outside the United States are less willing or unwilling to protect trade secrets. We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with our employees, consultants, scientific advisors, contractors and other parties who have access to such technology and processes. However, we may not be able to prevent the unauthorized disclosure or use of our technical know-how or other trade secrets by the parties to these agreements. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. If any of the collaborators, scientific advisors, employees and consultants who are parties to these agreements breach or violate the terms of any of these agreements, we may not have adequate remedies for any such breach or violation. As a result, we could lose our trade secrets and third parties could use our trade secrets to compete with our product candidates and our technology. Additionally, we cannot guarantee that we have entered into such agreements with each party that may have or has had access to our trade secrets or proprietary technology and processes.

We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems; however, such systems and security measures may be breached, and we may not have adequate remedies for any breach.

In addition, our trade secrets may otherwise become known or be independently discovered by competitors or other third parties. Competitors or third parties could purchase our product candidates or our technology and attempt to replicate some or all of the competitive advantages we derive from our development efforts, willfully infringe our intellectual property rights, design around our intellectual property rights or develop their own competitive technologies that fall outside the scope of our intellectual property rights. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them, or those to whom they communicate such trade secrets, from using that technology or information to compete with us. If our trade secrets are not adequately protected so as to protect our market against competitors' products, our business, financial condition, results of operations and prospects could be materially and adversely affected.

Third parties may initiate legal proceedings alleging that we are infringing, misappropriating or otherwise violating their intellectual property rights, the outcome of which would be uncertain and could harm our business.

Our commercial success depends upon our ability and the ability of our collaborators, if any, to develop, manufacture, market and sell our product candidates and use our proprietary technologies without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. The biotechnology and pharmaceutical industries are characterized by extensive and complex litigation regarding patents and other intellectual property rights. We may become party to, or be threatened with, adversarial proceedings or litigation in which third parties may assert infringement, misappropriation or other violation claims against us, alleging that our product candidates, manufacturing methods, formulations or administration methods are covered by their patents. Given the vast number of patents and other intellectual property in our field of technology, we cannot be certain or guarantee that we do not infringe, misappropriate or otherwise violate patents or other intellectual property. Other companies and institutions have filed, and continue to file, patent applications that may be related to our technology and, more broadly, to gene therapy and related manufacturing methods. Some of these patent applications have already been allowed or issued and others may issue in the future. Since this area is competitive and of strong interest to pharmaceutical and biotechnology companies, there will likely be additional patent applications filed and additional patents granted in the future, as well as additional research and development programs expected in the future. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are pursuing development candidates. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that we may be subject to claims of infringement of the patent rights of third parties. If a patent holder believes the manufacture, use, sale or importation of our product candidates or our technology infringes its patent, the patent holder may sue us even if we have licensed other patent rights for our technology.

We are aware of certain patents in the United States and other jurisdictions owned by third parties that claim subject matter that relates to our product candidates and the EDO platform. Such third parties may assert these patents against us in litigation in the United States or other jurisdictions. The outcome of any such litigation is uncertain and, even if we prevail, the costs of such litigation could have a material adverse effect on our financial position, result in disclosure of our trade secrets, distract key personnel from the continued development of our business, and adversely affect our ability to enter or maintain commercial relationships with collaborators, clients or customers. If we are unsuccessful in such litigation, we could be prevented from commercializing products or could be required to take licenses from such third parties which may not be available on commercially reasonable terms, if at all.

It is also possible that we have failed to identify relevant third-party patents or applications. Because patent applications can take many years to issue, may be confidential for 18 months or more after filing and can be revised before issuance, there may be applications now pending which may later result in issued patents that may be infringed by the manufacture, use, sale or importation of our product candidates or our technology and we may not be aware of such patents. Furthermore, applications filed before November 29, 2000 and certain applications filed after that date that will not be filed outside the United States may remain confidential until a patent issues. Moreover, it is difficult for industry participants, including us, to identify all third-party patent rights that may be relevant to our product candidates and our technologies because patent searching is imperfect due to differences in terminology among patents, incomplete databases and the difficulty in assessing the meaning of patent claims. We may fail to identify relevant patents or patent applications or may identify pending patent applications of potential interest but incorrectly predict the likelihood that such patent applications may issue with claims of relevance to our technology. In addition, we may incorrectly conclude that a third-party patent is invalid, unenforceable or not infringed by our activities. Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our technologies, our product candidates or the use of our product candidates.

Third parties may assert infringement claims against us based on existing patents or patents that may be granted in the future, regardless of their merit. There is a risk that third parties may choose to engage in litigation

with us to enforce or to otherwise assert their patent rights against us. Even if we believe such claims are without merit, a court of competent jurisdiction could hold that these third-party patents are valid, enforceable and infringed, which could adversely affect our ability to commercialize our product candidates or technologies covered by the asserted third-party patents. In order to successfully challenge the validity of any such U.S. patent in federal court, we would need to overcome a presumption of validity. As this burden is a high one requiring us to present clear and convincing evidence as to the invalidity of any such U.S. patent claim, there is no assurance that a court of competent jurisdiction would invalidate the claims of any such U.S. patent. If we are found to infringe a third party's valid and enforceable intellectual property rights, we could be required to obtain a license from such third party to continue developing, manufacturing and marketing our product candidates and our technology. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us, and it could require us to make substantial licensing and royalty payments. We could be forced, including by court order, to cease developing, manufacturing and commercializing the infringing technology or product candidates. In addition, we could be found liable for monetary damages, including treble damages and attorneys' fees, if we are found to have willfully infringed a patent or other intellectual property right. A finding of infringement could prevent us from manufacturing and commercializing our product candidates or force us to cease some of our business operations, which could harm our business. Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business, financial condition, results of operations and prospects.

Intellectual property litigation or other proceedings could cause us to spend substantial resources and distract our personnel from their normal responsibilities.

Competitors may challenge the validity and enforceability of our patent rights or those of our licensing partners, infringe, misappropriate or otherwise violate our or our licensors' patent and other intellectual property rights, or we may be required to defend against claims of infringement, misappropriation or other violation. Litigation and other proceedings in connection with any of the foregoing claims can be unpredictable, expensive and time consuming. Even if resolved in our favor, litigation or other proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our scientific, technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities.

We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors or other third parties may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could adversely affect our ability to compete in the marketplace and could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be subject to claims asserting that our employees, consultants or advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers or claims asserting ownership of what we regard as our own intellectual property.

Many of our employees, consultants or advisors are currently, or were previously, employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although we try to ensure that our employees, consultants and advisors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that these individuals or we have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. Litigation may be necessary to defend against these claims. If we fail in

defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or be required to obtain licenses to such intellectual property rights, which may not be available on commercially reasonable terms or at all. An inability to incorporate such intellectual property rights would harm our business and may prevent us from successfully commercializing our product candidates. In addition, we may lose personnel as a result of such claims and any such litigation or the threat thereof may adversely affect our ability to hire employees or contract with independent contractors. A loss of key personnel or their work product could hamper or prevent our ability to commercialize our product candidates and our technology, which would have a material adverse effect on our business, results of operations, financial condition and prospects. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to our scientific and management personnel.

In addition, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. Moreover, even when we obtain agreements assigning intellectual property to us, the assignment of intellectual property rights may not be self-executing or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. Furthermore, individuals executing agreements with us may have pre-existing or competing obligations to a third party, such as an academic institution, and thus an agreement with us may be ineffective in perfecting ownership of inventions developed by that individual. Disputes about the ownership of intellectual property that we own may have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, we or our licensors may in the future be subject to claims by former employees, consultants or other third parties asserting an ownership right in our owned or licensed patent rights. An adverse determination in any such submission or proceeding may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar technology and therapeutics, without payment to us, or could limit the duration of the patent protection covering our technology and our product candidates. Such challenges may also result in our inability to develop, manufacture or commercialize our technology and product candidates without infringing third-party patent rights. In addition, if the breadth or strength of protection provided by our owned or licensed patent rights are threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future technology and product candidates. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

If we do not obtain patent term extension for our product candidates, our business may be harmed.

Under the Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Amendments to the Federal Food, Drug, and Cosmetic Act, or the FDCA, a company may file an abbreviated new drug application, or ANDA, seeking approval of a generic version of an approved innovator product. Depending upon the timing, duration and specifics of any FDA marketing approval of our product candidates and our technology, one or more of our U.S. patents that we license or may own in the future may be eligible for limited patent term extension under Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent extension term of up to five years as compensation for patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, only one patent may be extended and only those claims covering the approved product, a method for using it or a method for manufacturing it may be extended. The application for the extension must be submitted prior to the expiration of the patent for which extension is sought. A patent that covers multiple products for which approval is sought can only be extended in connection with one of the approvals. However, we may not be granted an extension because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines,

failing to apply prior to expiration of relevant patents or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. In addition, to the extent we wish to pursue patent term extension based on a patent that we in-license from a third party, we would need the cooperation of that third party. If we are unable to obtain patent term extension or the term of any such extension is less than we request, our competitors may obtain approval of competing products following our patent expiration, and our revenue could be reduced. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be subject to claims challenging the inventorship or ownership of our patent and other intellectual property rights.

We or our licensors may be subject to claims that former employees, collaborators or other third parties have an interest in our owned or in-licensed patent rights, trade secrets or other intellectual property as an inventor or co-inventor. For example, we or our licensors may have inventorship disputes arise from conflicting obligations of employees, consultants or others who are involved in developing our product candidates or technology. Litigation may be necessary to defend against these and other claims challenging inventorship or our or our licensors' ownership of our owned or in-licensed patent rights, trade secrets or other intellectual property. If we or our licensors fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of or right to use intellectual property that is important to our product candidates or our technology. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected.

Our current and future trademark applications in the United States and other foreign jurisdictions may not be allowed or may be subsequently opposed. Once filed and registered, our trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. As a means to enforce our trademark rights and prevent infringement, we may be required to file trademark claims against third parties or initiate trademark opposition proceedings. This can be expensive and time-consuming, particularly for a company of our size. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition among potential partners or customers in our markets of interest. At times, third parties may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. Our efforts to enforce or protect our proprietary rights related to trademarks, trade secrets, domain names, copyrights or other intellectual property may be ineffective and could result in substantial costs and diversion of resources. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations or prospects.

Intellectual property rights do not necessarily address all potential threats.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. For example:

- others may be able to make products that are similar to our product candidates but that are not covered by the intellectual property, including the claims of the patents, that we own or license currently or in the future;

- we, or our license partners or current or future collaborators, might not have been the first to make the inventions covered by the issued patent or pending patent application that we own or license currently or in the future;
- we, or our license partners or current or future collaborators, might not have been the first to file patent applications covering certain of our or their inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing, misappropriating or otherwise violating our owned or licensed intellectual property rights;
- it is possible that our or our licensors' current or future pending patent applications will not lead to issued patents;
- issued patents that we hold rights to may be held invalid or unenforceable, including as a result of legal challenges by third parties;
- third parties might conduct research and development activities in jurisdictions where we do not have patent or other intellectual property rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not develop additional proprietary technologies that are patentable;
- the patents or other intellectual property rights of others may have an adverse effect on our business; and
- we may choose not to file a patent for certain trade secrets or know-how, and a third party may subsequently file a patent covering such intellectual property.

Should any of these events occur, they could significantly harm our business, financial condition, results of operations and prospects.

Our reliance on third parties requires us to share our trade secrets, which increases the possibility that a competitor or other third party will discover our trade secrets or that our trade secrets will be misappropriated or disclosed.

Because we currently rely on certain third parties to manufacture all or part of our product candidates and to perform quality testing, and because we may need to collaborate with various third parties for the advancement of our product candidates and technology, we may be required to, at times, share our proprietary technology and confidential information, including trade secrets, with them. We seek to protect our proprietary technology, in part, by entering into confidentiality agreements and, if applicable, material transfer agreements, collaboration agreements, services agreements, consulting agreements and other similar agreements prior to beginning research or disclosing any proprietary information to such third parties. These agreements typically limit the rights of the third parties to use or disclose our confidential information, including our trade secrets. Despite the contractual provisions employed when working with third parties, the need to share trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors or other third parties, are inadvertently incorporated into the technology of others or are disclosed or used in violation of these agreements. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. We may need to share our proprietary information, including trade secrets, with future business partners, collaborators, contractors and others located in countries at heightened risk of theft of trade secrets, including through direct intrusion by

private parties or foreign actors, and those affiliated with or controlled by state actors. Further, if any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third-party, we would have no right to prevent them from using that technology or information to compete with us. Despite our efforts to protect our trade secrets, our competitors may discover our trade secrets, either through breach of these agreements, independent development or publication of information including our trade secrets by third parties. Given that our proprietary position is based, in part, on our know-how and trade secrets, a competitor's or other third party's discovery of our proprietary technology and confidential information or other unauthorized use or disclosure would impair our competitive position and may harm our business, financial condition, results of operations and prospects.

Risks Related to Employee Matters, Managing Growth and Other Operational Matters

Our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

We are highly dependent on the research and development, clinical, financial, operational and other business expertise of our executive officers, as well as the other principal members of our management, scientific and clinical teams. Although we have entered into employment offer letters with our executive officers, each of them may terminate their employment with us at any time. We do not maintain "key person" insurance for any of our executives or other employees. Recruiting and retaining qualified scientific, clinical, manufacturing, accounting, legal and sales and marketing personnel will also be critical to our success.

The loss of the services of our executive officers or other key employees could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Furthermore, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize products. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. Our success as a public company also depends on implementing and maintaining internal controls and the accuracy and timeliness of our financial reporting. If we are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

We expect to expand our headcount to support our development and regulatory capabilities and potentially implement sales, marketing and distribution capabilities, and as a result, we may encounter difficulties in managing our growth, which could disrupt our operations.

As of March 31, 2022, we had 31 full-time employees. As our development progresses, we expect to experience significant growth in the number of our employees and the scope of our operations, particularly in the areas of drug development, clinical, regulatory affairs and, if any product candidate receives marketing approval, sales, marketing, distribution and coverage and reimbursement capabilities. To manage our anticipated future growth, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel. Due to our limited financial resources and the limited experience of our management team in managing a company with such anticipated growth, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert our management and business development resources. Any inability to manage growth could delay the execution of our business plans or disrupt our operations.

As a growing biotechnology company, we are actively pursuing new platforms and product candidates in many therapeutic areas and across a wide range of diseases. Successfully developing product candidates for, and fully understanding the regulatory and manufacturing pathways to, all of these therapeutic areas and disease states requires a significant depth of talent, resources and corporate processes in order to allow simultaneous execution across multiple areas. Due to our limited resources, we may not be able to effectively manage this simultaneous execution and the expansion of our operations or recruit and train additional qualified personnel. This may result in weaknesses in our infrastructure, give rise to operational mistakes, legal or regulatory compliance failures, loss of business opportunities, loss of employees and reduced productivity among remaining employees. The physical expansion of our operations may lead to significant costs and may divert financial resources from other projects, such as the development of our product candidates. If our management is unable to effectively manage our expected development and expansion, our expenses may increase more than expected, our ability to generate or increase our revenue could be reduced and we may not be able to implement our business strategy. Our future financial performance and our ability to compete effectively and commercialize our product candidates, if approved, will depend in part on our ability to effectively manage the future development and expansion of our company.

Our international operations subject us to various risks, and our failure to manage these risks could adversely affect our results of operations.

We face significant operational risks as a result of doing business internationally, such as:

- fluctuations in foreign currency exchange rates;
- differing payor reimbursement regimes, governmental payors or patient self-pay systems and price controls
- potentially adverse and/or unexpected tax consequences, including penalties due to the challenge by tax authorities on our tax position;
- potential changes to the accounting standards, which may influence our financial situation and results;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- becoming subject to the different, complex and changing laws, regulations and court systems of multiple jurisdictions and compliance with a wide variety of foreign laws, treaties;
- reduced protection of, or significant difficulties in enforcing, intellectual property rights in certain countries;
- difficulties in attracting and retaining qualified personnel;
- restrictions imposed by local labor practices and laws on our business and operations, including unilateral cancellation or modification of contracts;
- rapid changes in global government, economic and political policies and conditions, political or civil unrest or instability, terrorism or epidemics and other similar outbreaks or events, and potential failure in confidence of our suppliers or customers due to such changes or events; and
- tariffs, trade protection measures, import or export licensing requirements, trade embargoes and other trade barriers.

Future acquisitions or strategic alliances could disrupt our business and harm our financial condition and results of operations.

We may acquire additional businesses, technologies or assets, form strategic alliances or create joint ventures with third parties that we believe will complement or augment our existing business. If we acquire businesses with promising markets or technologies, we may not be able to realize the benefit of acquiring such businesses if we are unable to successfully integrate them with our existing operations and company culture. We may encounter numerous difficulties in developing, manufacturing and marketing any new products or product candidates resulting from a strategic alliance or acquisition that delay or prevent us from realizing their expected benefits or enhancing our business. We cannot assure you that, following any such acquisition, we will achieve the expected synergies to justify the transaction. The risks we face in connection with acquisitions, include:

- diversion of management time and focus from operating our business to addressing acquisition integration challenges;
- coordination of research and development efforts;
- retention of key employees from the acquired company;
- changes in relationships with collaborators as a result of product acquisitions or strategic positioning resulting from the acquisition;
- cultural challenges associated with integrating employees from the acquired company into our organization;
- the need to implement or improve controls, procedures and policies at a business that prior to the acquisition may have lacked sufficiently effective controls, procedures and policies;
- liability for activities of the acquired company before the acquisition, including intellectual property infringement claims, violation of laws, commercial disputes, tax liabilities and other known liabilities;
- unanticipated write-offs or charges; and
- litigation or other claims in connection with the acquired company, including claims from terminated employees, customers, former stockholders or other third parties.

Our failure to address these risks or other problems encountered in connection with our past or future acquisitions or strategic alliances could cause us to fail to realize the anticipated benefits of these transactions, cause us to incur unanticipated liabilities and harm the business generally. There is also a risk that future acquisitions will result in the incurrence of debt, contingent liabilities, amortization expenses or incremental operating expenses, any of which could harm our financial condition or results of operations.

Our internal information technology systems, or those of our vendors, collaborators or other contractors or consultants, may fail or suffer security breaches, loss or leakage of data and other disruptions or compromise, which could result in a material disruption of our product development programs, compromise sensitive information related to our business or prevent us from accessing critical information, or trigger contractual and legal obligations, potentially exposing us to liability, reputational harm or otherwise adversely affecting our business and financial results.

We are increasingly dependent upon information technology systems and infrastructure to operate our business. In the ordinary course of business, we collect, store and transmit confidential information (including

but not limited to intellectual property, proprietary business information and personal information). It is critical that we, our vendors, collaborators and other contractors or consultants, do so in a secure manner to maintain the availability, security, confidentiality, privacy and integrity of such confidential information.

Despite the implementation of security measures, given the size and complexity of our internal information technology systems and those of our current and future vendors, collaborators and other contractors or consultants, and the increasing amounts of confidential information that we and our affiliated third parties maintain, such information technology systems are still vulnerable to damage or interruption from computer viruses, computer hackers, malicious code, employee error, theft or misuse, denial-of-service attacks, sophisticated nation-state and nation-state-supported actors, unauthorized access, natural disasters, terrorism, war, telecommunication and electrical failures or other compromise. The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusion, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. As a result of the ongoing COVID-19 pandemic, we may also face increased cybersecurity risks due to our reliance on internet technology and the number of our employees who are working remotely, which may create additional opportunities for cybercriminals to exploit vulnerabilities. The techniques used by cyber criminals change frequently, may not be recognized until launched, and can originate from a wide variety of sources, including outside groups such as external service providers, organized crime affiliates, terrorist organizations or hostile foreign governments or agencies. As such, we may experience security breaches that may remain undetected for an extended period. We may be unable to anticipate all types of security threats, or implement preventive measures effective against all such security threats. Even if identified, we may be unable to adequately investigate or remediate incidents or breaches due to attackers increasingly using tools and techniques that are designed to circumvent controls, to avoid detection and to remove or obfuscate forensic evidence.

We and certain of our service providers are from time to time subject to cyberattacks and security incidents. While we do not believe that we have experienced any significant system failure, accident or security breach to date, if such an event were to occur, it could result in a disruption of our development programs and our business operations, whether due to a loss of our trade secrets or other proprietary or confidential information or other disruptions. For example, the loss of clinical trial data from clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. If we were to experience a significant cybersecurity breach of our information systems or data, the costs associated with the investigation, remediation and potential notification of the breach to counterparties, data subjects, regulators or others could be material. In addition, our remediation efforts may not be successful. Moreover, if the information technology systems of our vendors, collaborators and other contractors and consultants become subject to disruptions or security breaches, we may have insufficient recourse against such third parties and we may have to expend significant resources to mitigate the impact of such an event, and to develop and implement protections to prevent future events of this nature from occurring. If we do not allocate and effectively manage the resources necessary to build and sustain the proper technology and cybersecurity infrastructure, we could suffer significant business disruption, including transaction errors, supply chain or manufacturing interruptions, processing inefficiencies, data loss or the loss of or damage to intellectual property or other proprietary information.

To the extent that any disruption or security breach were to result in a loss of, or damage to, our or our vendors', collaborators' or other contractors' or consultants' data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability, including litigation exposure and penalties and fines. Any such event that leads to unauthorized access, use, or disclosure of personal information, including personal information regarding our customers or employees, could harm our reputation, compel us to comply with federal and/or state breach notification laws and foreign law equivalents, subject us to mandatory corrective action, and otherwise subject us to liability under laws and regulations that protect the privacy and security of personal information. We could become the subject of regulatory action or investigation, and our competitive position and reputation could be harmed and the further development and commercialization of our product candidates could be delayed. As a result of such an event, we may also be in breach of our contractual

obligations. Any of the above could have a material adverse effect on our business, financial condition, results of operations or prospects.

The financial exposure from the events referenced above could either not be insured against or not be fully covered through any insurance that we maintain. In addition, we cannot be sure that our existing insurance coverage will continue to be available on acceptable terms or that our insurers will not deny coverage as to any future claim. There can be no assurance that the limitations of liability in our contracts would be enforceable or adequate or would otherwise protect us from liabilities or damages as a result of the events referenced above.

Our operations or those of the third parties upon whom we depend might be affected by the occurrence of a natural disaster, pandemic or other catastrophic event.

We depend on our employees, consultants, CMOs and CROs, as well as regulatory agencies and other parties, for the continued operation of our business. While we maintain disaster recovery plans, they might not adequately protect us. Despite any precautions we take for natural disasters or other catastrophic events, these events, including terrorist attack, pandemics, hurricanes, fire, floods and ice and snowstorms, could result in significant disruptions to our research and development, preclinical studies, clinical trials, and, ultimately, commercialization of our products. Long-term disruptions in the infrastructure caused by events, such as natural disasters, the outbreak of war, the escalation of hostilities and acts of terrorism or other ‘‘acts of God,’’ particularly involving cities in which we have offices, manufacturing or clinical trial sites, could adversely affect our businesses. Although we carry business interruption insurance policies and typically have provisions in our contracts that protect us in certain events, our coverage might not respond or be adequate to compensate us for all losses that may occur. Any natural disaster or catastrophic event affecting us, our CMOs, CROs, regulatory agencies or other parties with which we are engaged could have a significant negative impact on our operations and financial performance.

The ongoing COVID-19 pandemic may affect our ability to initiate and complete preclinical studies and current or future clinical trials, disrupt regulatory activities, or have other adverse effects on our business and operations. In addition, this pandemic has caused substantial disruption in the financial markets and may adversely impact economies worldwide, which could negatively impact our operations and our ability to raise additional capital following this offering.

The ongoing COVID-19 pandemic and identification of new variants of the virus has broadly affected the global economy, resulted in significant travel and work restrictions in many regions and has put a significant strain on healthcare resources. The ultimate extent of the impact of the ongoing COVID-19 pandemic on our business, financial condition and results of operations is highly uncertain and will depend on continued developments, including any new variants, and actions taken by government authorities and businesses to contain or prevent the further spread of COVID-19. The continuation of the worldwide COVID-19 pandemic may affect our ability to initiate and complete preclinical studies and current or planned clinical trials, disrupt regulatory activities or have other adverse effects on our business, results of operations, financial condition and prospects. In addition, the ongoing COVID-19 pandemic has adversely impacted economies worldwide and may cause substantial disruption in the financial markets, both of which could adversely affect our business, operations and ability to raise funds to support our operations.

The future progression of the pandemic and its effects on our business and operations are uncertain. We and our CMOs and CROs have experienced a reduction in the capacity to undertake research-scale production and to execute some preclinical studies, and we may face disruptions that affect our ability to initiate and complete preclinical studies, and disruptions in procuring items that are essential for our research and development activities, such as raw materials used in the manufacture of any product candidates, laboratory supplies used in our preclinical studies, or animals that are used for preclinical testing for which there are shortages because of ongoing efforts to address the pandemic. Further, since the beginning of the COVID-19 pandemic, three vaccines received Emergency Use Authorizations and two of those later received marketing approval. Additional vaccines may be authorized or approved in the future. The resultant demand for vaccines and potential for manufacturing facilities and materials to be commandeered under the Defense Production Act of 1950, or equivalent foreign legislation, may make it more difficult to obtain materials or manufacturing slots

for the products needed for our clinical trials, which could lead to delays in these trials. We and our CROs and CMOs may face disruptions related to our future IND- or CTA-enabling studies and clinical trials arising from delays in preclinical studies, manufacturing disruptions, and the ability to obtain necessary IRB, IBC or other necessary site approvals, as well as other delays at clinical trial sites.

The response to the ongoing COVID-19 pandemic may also redirect resources with respect to regulatory and intellectual property matters in a way that would adversely impact our ability to progress regulatory approvals and protect our intellectual property. In addition, we may face impediments to regulatory meetings and approvals due to measures intended to limit in-person interactions. The pandemic has already caused significant disruptions in worldwide financial markets, and may continue to cause such disruptions, which could impact our ability to raise additional funds through public offerings and may also impact the volatility of our stock price and trading in our stock. We cannot be certain what the overall impact of the ongoing COVID-19 pandemic will be on our business, although for the reasons described above it has the potential to adversely affect our financial condition, results of operations and prospects.

Risks Related to This Offering, Ownership of Our Common Stock and Our Status as a Public Company

There has been no prior public market for our common stock, the stock price of our common stock may be volatile or may decline regardless of our operating performance, and you may not be able to resell your shares at or above the initial public offering price.

Prior to this offering, there has been no public market for shares of our common stock. You may not be able to sell your shares quickly or at the market price if trading in shares of our common stock is not active. The initial public offering price for our common stock will be determined through negotiations with the underwriters, and the negotiated price may not be indicative of the market price of the common stock after the offering. An active or liquid market in our common stock may not develop upon the completion of this offering or, if it does develop, it may not be sustainable. As a result of these and other factors, you may be unable to resell your shares of our common stock at or above the initial public offering price.

Further, an inactive market may also impair our ability to raise capital by selling shares of our common stock and may impair our ability to enter into strategic collaborations or acquire companies or products by using our shares of common stock as consideration.

If you purchase shares of common stock in this offering, you will suffer immediate dilution of your investment.

The initial public offering price of our common stock will be substantially higher than the as adjusted net tangible book value per share of our common stock after this offering. Therefore, if you purchase shares of our common stock in this offering, you will pay a price per share that substantially exceeds our as adjusted net tangible book value per share after this offering. Based on our net tangible book value as of December 31, 2021 and an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover of this prospectus, you will experience immediate dilution of $ per share, representing the difference between our as adjusted net tangible book value per share after this offering and the initial public offering price. In addition, as of December 31, 2021, we had outstanding stock options to purchase an aggregate of shares of common stock at a weighted average exercise price of $ per share. To the extent these outstanding options are exercised, you will incur further dilution.

Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our technologies or product candidates.

Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances and/or

licensing arrangements. We do not have any committed external source of funds. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a common stockholder. Any debt financing or preferred equity financing, if available, may involve, agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, selling or licensing our assets, making capital expenditures, declaring dividends or encumbering our assets to secure future indebtedness.

If we raise additional funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed or on terms acceptable to us, we may be required to delay, limit, reduce or eliminate some or all of our research and development programs, pipeline expansion or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

If securities analysts do not publish research or reports about our business or if they publish negative evaluations of our stock, the price of our stock could decline.

The trading market for our common stock will rely, in part, on the research and reports that industry or financial analysts publish about us or our business. We do not currently have and may never obtain research coverage by industry or financial analysts. There can be no assurance that analysts will cover us. There is also no assurance that any covering analysts will provide favorable coverage. Even if we do obtain analyst coverage, if one or more of the analysts covering our business downgrade their evaluations of our stock or publish inaccurate or unfavorable research about our business, or provide more favorable relative recommendations about our competitors, the price of our stock could decline.

The price of our common stock may be volatile and fluctuate substantially, which could result in substantial losses for purchasers of our common stock in this offering.

Prior to this offering, our stock was not publicly traded on any stock exchange or over-the-counter quotation system. In connection with this offering, we intend to apply to list our common stock for trading on the Nasdaq Global Market. Even if admitted for trading, our stock price is likely to be volatile. The stock market in general, and the market for smaller biopharmaceutical companies in particular, have experienced extreme price volatility and volume fluctuations that have often been unrelated to the operating performance of particular companies. As a result of this volatility, you may not be able to sell your common stock at or above the initial public offering price. The market price for our common stock may be influenced by many factors, including:

- timing and results of, or developments in, preclinical studies and clinical trials of our product candidates or those of our competitors or potential collaborators;
- adverse regulatory decisions, including failure to receive marketing approvals for our product candidates;
- our success in commercializing any product candidates that may be approved;
- the success of competitive products or technologies;
- regulatory or legal developments in the United States and other countries;
- developments or disputes concerning patent applications, issued patents or other intellectual property or proprietary rights;

- the recruitment or departure of key personnel;
- the level of expenses related to our product candidates;
- the results of our efforts to discover, develop, acquire or in-license products, product candidates, technologies or data referencing rights, the costs of commercializing any such products and the costs of development of any such product candidates or technologies;
- actual or anticipated changes in estimates as to our financial results, development timelines or recommendations by securities analysts;
- variations in our financial results or the financial results of companies that are perceived to be similar to us;
- sales of our common stock by us, our executive officers, directors or principal stockholders or others;
- changes in the structure of healthcare payment systems;
- market conditions in the pharmaceutical and biotechnology sectors;
- general economic, industry, political and market conditions, including conditions resulting from the effects of the ongoing COVID-19 pandemic; and
- the other factors described in this "Risk factors" section.

Any of the factors listed above could materially adversely affect your investment in our common stock, and our common stock may trade at prices significantly below the initial public offering price, which could contribute to a loss of all or part of your investment. In such circumstances the trading price of our common stock may not recover and may experience a further decline.

In the past, following periods of volatility in the market price of a company's securities, securities class-action litigation has often been instituted against that company. Any lawsuit to which we are a party, with or without merit, may result in an unfavorable judgment. We also may decide to settle lawsuits on unfavorable terms. Any such negative outcome could result in payments of substantial damages or fines, damage to our reputation or adverse changes to our offerings or business practices. Such litigation may also cause us to incur other substantial costs to defend such claims and divert management's attention and resources.

Unfavorable global economic conditions could adversely affect our business, financial condition, stock price and results of operations.

Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. For example, the 2008 global financial crisis caused extreme volatility and disruptions in the capital and credit markets. A severe or prolonged economic downturn resulting from the ongoing COVID-19 pandemic could result in a variety of risks to our business, including weakened demand for our product candidates and our ability to raise additional capital when needed on acceptable terms, if at all. In addition, the current military conflict between Russia and Ukraine could disrupt or otherwise adversely impact our operations and those of third parties upon which we rely. Related sanctions, export controls or other actions that have been or may be initiated by nations, including the United States or the European Union, or actions taken by Russia (e.g., potential cyberattacks, disruption of energy flows, etc.) could adversely affect our business and/or our supply chain, our CROs, CMOs and other third parties with which we conduct business. A weak or declining economy could also strain our suppliers, possibly resulting in supply disruption. If the current equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult, more costly, and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable terms could

impair our ability to achieve our growth strategy, could harm our financial performance and stock price and could require us to delay or abandon clinical development plans. In addition, there is a risk that our current or future service providers, manufacturers or other collaborators may not survive such difficult economic times, which could directly affect our ability to attain our operating goals on schedule and on budget. We cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact our business.

After this offering, our executive officers, directors and their affiliates, if they choose to act together, will continue to have the ability to significantly influence all matters submitted to stockholders for approval.

Upon the closing of this offering, based on the number of shares outstanding as of , and giving effect to the issuance of shares of our common stock in this offering, assuming no exercise by the underwriters of their option to purchase additional shares of our common stock, our executive officers and directors and their affiliates will, in the aggregate, beneficially own shares representing approximately % of our outstanding common stock. As a result, if these stockholders were to choose to act together, they would be able to significantly influence all matters submitted to our stockholders for approval, as well as our management and affairs, even though some of these persons or entities may have interests different than yours. For example, these stockholders, if they choose to act together, could significantly influence the election of directors and approval of any merger, consolidation or sale of all or substantially all of our assets.

This concentration of ownership may:

- delay, defer or prevent a merger, consolidation or sale of all or substantially all of our assets that may be desired by other stockholders;
- delay, defer or prevent a change in control transaction involving us that other stockholders may desire; or
- entrench our management and board of directors.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

Our management will have broad discretion in the application of the net proceeds from this offering and could spend the proceeds in ways that do not improve our results of operations or enhance the value of our common stock. You will not have the opportunity to influence our decisions on how to use our net proceeds from this offering. The failure by our management to apply these funds effectively could result in financial losses that could cause the price of our common stock to decline and delay the development of our product candidates. Pending their use, we may invest the net proceeds from this offering in a manner that does not produce income or that loses value.

Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be your sole source of gain.

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future.

A significant portion of our total outstanding shares is restricted from immediate resale but may be sold into the market in the near future, which could cause the market price of our common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock, impair our ability to raise capital through the sale of additional equity securities, and make it more difficult for you to sell your common stock at a time and price that you deem appropriate. After this

offering, we will have shares of common stock outstanding based on the number of shares outstanding as of . This includes the shares that we are selling in this offering, which may be resold in the public market immediately without restriction, unless purchased by our affiliates. As of the date of this prospectus, shares of our common stock are restricted as a result of securities laws or lock-up agreements entered into in connection with this offering but will become eligible to be sold at various times after the offering as described below and in the section of this prospectus titled "Shares eligible for future sale."

Following the expiration of the lock-up agreements described above, an aggregate of shares of common stock will become eligible for sale in the public market, subject to applicable securities laws. The representatives of the underwriters, in their sole discretion, may release some or all of the securities subject to these lock-up agreements at any time, which would allow for earlier sales of shares in the public market. All other outstanding shares of our common stock may be freely sold in the public market at any time, subject to applicable securities laws, as described in the section of this prospectus titled "Shares eligible for future sale."

Moreover, holders of an aggregate of shares of our common stock will have rights, subject to specified conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. We also intend to file a registration statement on Form S-8 to register all of the shares of common stock that we are able to issue under our equity compensation plans. Shares registered under these registration statements on Form S-8 can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates, vesting arrangements, exercise of options and the lock-up agreements.

We are an "emerging growth company" and a "smaller reporting company," and the reduced disclosure requirements applicable to emerging growth companies and smaller reporting companies may make our common stock less attractive to investors.

We are an "emerging growth company," or EGC, as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. We may remain an EGC until December 31, 2026, although if the market value of our common stock that is held by non-affiliates exceeds $700.0 million as of any June 30 before that time or if we have annual gross revenues of $1.07 billion or more in any fiscal year, we would cease to be an EGC as of December 31 of the applicable year. We also would cease to be an EGC if we issue more than $1.0 billion of non-convertible debt over a three-year period. For so long as we remain an EGC, we are permitted and intend to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not EGCs. These exemptions include:

- not being required to comply with the auditor attestation requirements in the assessment of our internal control over financial reporting;
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- reduced disclosure obligations regarding executive compensation; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Even after we no longer qualify as an EGC, we may continue to qualify as a smaller reporting company, which would allow us to take advantage of many of the same exemptions from disclosure requirements, including reduced disclosure obligations regarding executive compensation. In addition, if we are a smaller reporting company with less than $100 million in annual revenue, we would not be required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404. In reliance on

these exemptions, we have taken advantage of reduced reporting obligations in this prospectus. In particular, in this prospectus, we have provided only two years of audited financial statements and have not included all of the executive compensation related information that would be required if we were not an EGC or a smaller reporting company.

We cannot predict whether investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

In addition, the JOBS Act permits an EGC to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies until those standards would otherwise apply to private companies. We have elected to take advantage of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we will adopt the new or revised standard at the time private companies adopt the new or revised standard and will do so until such time that we either irrevocably elect to "opt out" of such extended transition period or no longer qualify as an EGC. We may choose to early adopt any new or revised accounting standards whenever such early adoption is permitted for private companies.

We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices.

As a public company, and particularly after we are no longer an EGC or a smaller reporting company, we will incur significant legal, accounting and other expenses that we did not previously incur as a private company. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the Nasdaq Global Market and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel devote and will need to continue to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs, particularly as we hire additional financial and accounting employees to meet public company internal control and financial reporting requirements and will make some activities more time-consuming and costly compared to when we were a private company. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, and we might be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. The impact of these events could also make it more difficult for us to attract and retain qualified members of our board of directors.

We are evaluating these rules and regulations and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If notwithstanding our efforts to comply with new laws, regulations and standards, we fail to comply, regulatory authorities may initiate legal proceedings against us and our business may be harmed.

Pursuant to Section 404, we will be required to furnish a report by our management on our internal control over financial reporting beginning with our second filing of our Annual Report on Form 10-K with the SEC. However, while we remain an EGC or a smaller reporting company with less than $100 million in annual revenue, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, we are

engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, including through hiring additional financial and accounting personnel, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or more material weaknesses in our internal control over financial reporting, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud. As a result, stockholders could lose confidence in our financial and other public reporting, which would harm our business and the trading price of our common stock.

Effective internal control over financial reporting is necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, is designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. In addition, any testing by us conducted in connection with Section 404, or any subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal control over financial reporting that are deemed to be material weaknesses or that may require prospective or retroactive changes to our financial statements or identify other areas for further attention or improvement. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could harm our business and have a negative effect on the trading price of our stock.

We are required to disclose changes made in our internal controls and procedures on a quarterly basis and our management is required to assess the effectiveness of these controls annually. However, for as long as we are an EGC under the JOBS Act or a smaller reporting company with less than $100 million in annual revenue, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404. We could be an EGC for up to five years. An independent assessment of the effectiveness of our internal control over financial reporting could detect problems that our management's assessment might not. Undetected material weaknesses in our internal control over financial reporting could lead to financial statement restatements and require us to incur the expense of remediation, which could have a negative effect on the trading price of our stock.

Anti-takeover provisions in our corporate charter documents and under Delaware law could make an acquisition of our company, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current directors and members of management.

Anti-takeover provisions in our amended and restated certificate of incorporation and our amended and restated bylaws to be effective upon the completion of this offering may discourage, delay or prevent a merger, acquisition or other change in control of our company that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, because our board of directors is responsible for appointing the members of our management team, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. Among other things, these provisions:

- establish a classified board of directors such that only one of three classes of directors is elected each year;

- allow the authorized number of our directors to be changed only by resolution of our board of directors;
- limit the manner in which stockholders can remove directors from our board of directors;
- establish advance notice requirements for stockholder proposals that can be acted on at stockholder meetings and nominations to our board of directors;
- require that stockholder actions must be effected at a duly called stockholder meeting and prohibit actions by our stockholders by written consent;
- limit who may call stockholder meetings;
- authorize our board of directors to issue preferred stock without stockholder approval, which could be used to institute a "poison pill" that would work to dilute the stock ownership of a potential hostile acquirer, effectively preventing acquisitions that have not been approved by our board of directors; and
- require the approval of the holders of at least 66.7% of the votes that all our stockholders would be entitled to cast to amend or repeal specified provisions of our certificate of incorporation or bylaws.

Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, or the DGCL, which prohibits a person who owns in excess of 15% of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner.

Our amended and restated bylaws to be effective upon the completion of this offering will designate the Court of Chancery of the State of Delaware and the federal district courts of the United States of America as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers and employees.

Our amended and restated bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware does not have jurisdiction, the federal district court for the District of Delaware) will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or stockholders to our company or our stockholders;
- any action asserting a claim arising pursuant to any provision of the DGCL or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware; or
- any action asserting a claim arising pursuant to any provision of our certificate of incorporation or bylaws (in each case, as they may be amended from time to time) or governed by the internal affairs doctrine.

These choice of forum provisions will not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and

state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and bylaws provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any claims arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated bylaws. This may require significant additional costs associated with resolving such action in other jurisdictions and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions.

These exclusive forum provisions may limit the ability of our stockholders to bring a claim in a judicial forum that such stockholders find favorable for disputes with us or our directors, officers or employees, which may discourage such lawsuits against us and our directors, officers and employees. If a court were to find the either exclusive forum provision contained in our amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving such action in other jurisdictions, all of which could materially adversely affect our business, financial condition and operating results.

We may not be able to satisfy listing requirements of the Nasdaq Global Market or obtain or maintain a listing of our common stock on the Nasdaq Global Market.

If our common stock is listed on the Nasdaq Global Market, we must meet certain financial and liquidity criteria to maintain such listing. If we violate or fail to meet any of the Nasdaq Global Market‘s listing standards, our common stock may be delisted. In addition, our board of directors may determine that the cost of maintaining our listing on a national securities exchange outweighs the benefits of such listing. A delisting of our common stock from the Nasdaq Global Market may materially impair our stockholders’ ability to buy and sell our common stock and could have an adverse effect on the market price of, and the efficiency of the trading market for, our common stock. The delisting of our common stock could significantly impair our ability to raise capital and the value of your investment.

General Risk Factors

Changes in tax laws or regulations or in their implementation or interpretation may adversely affect our business and financial condition.

New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could adversely affect our business or financial condition. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to us. A number of other factors could materially adversely affect our business and financial condition including: tax policy initiatives and reforms under consideration (such as those related to the Organization for Economic Co-Operation and Development’s, or OECD, Base Erosion and Profit Shifting, or BEPS, Project, the European Commission’s state aid investigations and other initiatives), the practices of tax authorities in jurisdictions in which we operate; the resolution of issues arising from tax audits or examinations and any related interest or penalties. Such changes may include (but are not limited to) the taxation of operating income, investment income, dividends received or (in the specific context of withholding tax) dividends paid.

The U.S. government may enact significant new changes to the taxation of business entities including, among others, an increase in the corporate income tax rate. Furthermore, the rules dealing with U.S. federal, state, and local income taxation are constantly under review by persons involved in the legislative process and by the Internal Revenue Service and the U.S. Treasury Department. Changes to tax laws (which changes may have

retroactive application) could adversely affect us or holders of our common stock. In recent years, many such changes have been made and changes are likely to continue to occur in the future. Future changes in tax laws could have a material adverse effect on our business, cash flow, financial condition or results of operations. We urge investors to consult with their legal and tax advisers regarding the implications of potential changes in tax laws on an investment in our common stock.

We are unable to predict what tax reform may be proposed or enacted in the future or what effect such changes would have on our business, but such changes, to the extent they are brought into tax legislation, regulations, policies or practices in jurisdictions in which we operate, could increase the estimated tax liability that we have expensed to date and paid or accrued on our balance sheets, and otherwise affect our financial position, future results of operations, cash flows in a particular period and overall or effective tax rates in the future in countries where we have operations, reduce post-tax returns to our shareholders and increase the complexity, burden and cost of tax compliance.

Tax authorities may disagree with our positions and conclusions regarding certain tax positions, or may apply existing rules in an unforeseen manner, resulting in unanticipated costs, taxes or non-realization of expected benefits.

A tax authority may disagree with tax positions that we take, which could result in increased tax liabilities. For example, Her Majesty's Revenue & Customs, the IRS or another tax authority could challenge our allocation of income by tax jurisdiction and the amounts paid between our affiliated companies pursuant to our intercompany arrangements and transfer pricing policies, including amounts paid with respect to our intellectual property development. Similarly, a tax authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable connection, often referred to as a "permanent establishment" under international tax treaties, and such an assertion, if successful, could increase our expected tax liability in one or more jurisdictions.

A tax authority may take the position that material income tax liabilities, interest and penalties are payable by us, in which case we expect that we might contest such assessment. Contesting such an assessment may be lengthy and costly and if we were unsuccessful in disputing the assessment, the implications could increase our anticipated effective tax rate, where applicable.

Our ability to utilize our net operating loss carryforwards and certain other tax attributes may be subject to limitations.

We have a history of cumulative losses and anticipate that we will continue to incur significant losses in the foreseeable future; thus, we do not know whether or when we will generate taxable income necessary to utilize our net operating losses, or NOLs, or research and development tax credit carryforwards. As of December 31, 2021, we had federal NOL carryforwards of $3.5 million, state NOL carryforwards of $1.8 million, and had generated UK NOLs of $11.9 million, which, in the case of UK NOLs, are subject to utilization criteria and restrictions (including those that limit the percentage of profits that can be reduced by carried forward losses and those that can restrict the use of carried forward losses where there is a change of ownership of more than half the ordinary shares of the company and a major change in the nature, conduct or scale of the trade), and which, subject to the above restrictions and potential future changes in law, and to any potential restructuring or changes in the nature of our operations, may be eligible for carry forward against future operating profits and/or other taxable profits or gains.

As a company that carries out extensive research and development activities, we seek to benefit from the U.K. research and development tax relief programs, being the Small and Medium-sized Enterprises R&D tax relief program, or SME Program, and, to the extent that our projects are grant funded or relate to work subcontracted to the company by third parties, the Research and Development Expenditure Credit program, or RDEC Program. Under the SME Program, we may be able to surrender the trading losses that arise from our

qualifying research and development activities for a cash rebate of approximately 33.4% of the surrenderable losses. The majority of our research and development activities are eligible for inclusion within these tax credit cash rebate claims. We may not be able to continue to claim payable research and development tax credits in the future if we cease to qualify as an SME, based on size criteria concerning employee headcount, turnover and gross assets or if we no longer conduct qualifying research and development activities through our wholly-owned subsidiary PepGen Limited. The U.K. Finance Act of 2021 introduced a cap on payable credit claims under the SME Program in excess of £20,000 with effect from April 2021 by reference to, broadly, three times the total PAYE and NICs liability of the company, subject to an exception which prevents the cap from applying. That exception requires the company to be creating, taking steps to create or managing intellectual property, as well as having qualifying research and development expenditure in respect of connected parties which does not exceed 15% of the total qualifying expenditure. If such exception does not apply, this could restrict the amount of credit that we are able to claim.

For U.S. federal income tax purposes, in general, under Sections 382 and 383 of the U.S. Internal Revenue Code of 1986, as amended, or the Code, and corresponding provisions of state law, a corporation that undergoes an "ownership change," generally defined as a greater than 50 percentage point change (by value) in its equity ownership by certain stockholders over a three-year period, is subject to limitations on its ability to utilize its pre-change NOLs and pre-change research and development tax credit carryforwards to offset post-change income or taxes. We have not conducted a study to assess whether any such ownership changes have occurred. We may experience such ownership changes in the future. As a result, if, and to the extent that, we earn net taxable income, our ability to use our NOL carryforwards and research and development tax credit carryforwards to offset such taxable income may be subject to limitations.

Additionally, the use of the UK NOL carryforwards could be restricted, under Part 14 of the Corporation Tax Act 2010, if a "change in ownership" of either PepGen Inc. or PepGen Limited were to occur and certain other conditions are met. A "change in ownership" is defined, broadly, as the acquisition by one or more persons of more than half of the ordinary share capital of a company. The use of the UK NOL carryforwards could be restricted if, within a certain period of a change in ownership, there is a major change in the conduct of PepGen Limited's trade, PepGen Limited's trading activities become small or negligible, or if certain other conditions are met.

Any restructuring or change in the nature of our operations of our company may give rise to tax liabilities and/or restrictions in the amount and/or availability of tax attributes.

We are undergoing, and may in the future undertake, changes in the nature or conduct of our operations. For example, pursuant to an asset transfer agreement effective as of January 1, 2022, we effected a novation of all intellectual property assets of our wholly-owned UK subsidiary PepGen Limited to PepGen Inc. Going forward, operational updates may include additional transferring of assets of our UK subsidiary to PepGen Inc. or migrating functions undertaken by and/or employees engaged by our UK subsidiary to PepGen Inc. Any such action could give rise to tax liabilities for us and/or to the erosion of our tax attributes (such as net operating losses).

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

We are subject to certain reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Our disclosure controls and procedures are designed to reasonably assure that information required to be disclosed by us in reports we file or submit under the Exchange Act is accumulated and communicated to management, recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an

unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements or insufficient disclosures due to error or fraud may occur and not be detected.

After the completion of this offering, we may be at an increased risk of securities class action litigation.

Historically, securities class action litigation has often been brought against a company following a decline in the market price of its securities. This risk is especially relevant for us because biotechnology and pharmaceutical companies have experienced significant stock price volatility in recent years. If we were to be sued, it could result in substantial costs and a diversion of management's attention and resources, which could harm our business.

We may be exposed to significant foreign exchange risk.

We incur portions of our expenses, and may in the future derive revenues, in a variety of currencies. As a result, we are exposed to foreign currency exchange risk as our results of operations and cash flows are subject to fluctuations in foreign currency exchange rates. Fluctuations in currency exchange rates have had, and will continue to have, an impact on our results as expressed in U.S. dollars. We currently do not engage in hedging transactions to protect against uncertainty in future exchange rates between particular foreign currencies and the euro. We cannot predict the impact of foreign currency fluctuations, and foreign currency fluctuations in the future may adversely affect our financial condition, results of operations and cash flows.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, including the sections titled "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Business," contains express or implied forward-looking statements that are based on our management's belief and assumptions and on information currently available to our management. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future operational or financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Forward-looking statements in this prospectus include, but are not limited to, statements about:

- the initiation, timing, progress, results, and cost of our research and development programs and our current and future preclinical studies and clinical trials, including statements regarding the timing of initiation and completion of studies or trials and related preparatory work, the period during which the results of the trials will become available, and our research and development programs;
- our ability to efficiently develop our existing product candidates and discover new product candidates;
- our ability to successfully manufacture our drug substances and product candidates for preclinical use, for clinical trials and on a larger scale for commercial use, if approved;
- our ability to obtain funding for our operations necessary to complete further development and commercialization of our product candidates;
- our ability to obtain and maintain regulatory approval of our product candidates;
- our ability to commercialize our products, if approved;
- the pricing and reimbursement of our product candidates, if approved;
- the implementation of our business model, and strategic plans for our business and product candidates;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our product candidates;
- estimates of our future expenses, revenues, capital requirements, and our needs for additional financing;
- the size and growth potential of the markets for our product candidates, and our ability to serve those markets;
- our financial performance;
- the rate and degree of market acceptance of our product candidates;
- regulatory developments in the United States and foreign countries;
- our ability to contract with third-party suppliers and manufacturers and their ability to perform adequately;

- our ability to produce our products or product candidates with advantages in turnaround times or manufacturing cost;
- the success of competing therapies that are or may become available;
- our ability to attract and retain key scientific or management personnel;
- the impact of laws and regulations;
- our use of the proceeds from this offering;
- developments relating to our competitors and our industry;
- the effect of the ongoing COVID-19 pandemic, including mitigation efforts and economic effects, on any of the foregoing or other aspects of our business operations, including but not limited to our preclinical studies and clinical trials and any future studies or trials; and
- other risks and uncertainties, including those listed under the caption "Risk Factors."

In some cases, you can identify forward-looking statements by terminology such as "may," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue" or the negative of these terms or other comparable terminology. These statements are only predictions, and are subject to change due to known and unknown risks, uncertainties, and other factors, which are, in some cases, beyond our control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under the section titled "Risk Factors" and elsewhere in this prospectus. If one or more of these risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. No forward-looking statement is a guarantee of future performance. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. You should read this prospectus and the documents that we reference in this prospectus and have filed with the Securities and Exchange Commission as exhibits to the registration statement, of which this prospectus forms a part, completely and with the understanding that our actual future results may be materially different from any future results expressed or implied by these forward-looking statements.

The forward-looking statements in this prospectus represent our views as of the date of this prospectus. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. You should therefore not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this prospectus.

In addition, statements that ''we believe'' and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this prospectus, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain.

This prospectus also contains estimates, projections and other information concerning our industry, our business and the markets for our programs and product candidates. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances that are assumed in this information. Unless

otherwise expressly stated, we obtained this industry, business, market, and other data from our own internal estimates and research as well as from reports, research surveys, studies, and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources. While we are not aware of any misstatements regarding any third-party information presented in this prospectus, their estimates, in particular, as they relate to projections, involve numerous assumptions, are subject to risks and uncertainties and are subject to change based on various factors, including those discussed under the section titled "Risk Factors" and elsewhere in this prospectus.

USE OF PROCEEDS

We estimate that the net proceeds from the sale of shares of our common stock in this offering will be approximately $ million, or $ million if the underwriters exercise in full their option to purchase additional shares, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) our net proceeds from this offering by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A 1.0 million share increase (decrease) in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) our net proceeds from this offering by $ million, assuming no change in the assumed initial public offering price per share and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. This information is illustrative only and will depend on the actual initial public offering price and other terms of this offering determined at pricing. We do not expect that a change in the initial price to the public or the number of shares by these amounts would have a material effect on uses of the proceeds from this offering, although a decrease in the initial offering price without a corresponding increase in the number of shares offered may accelerate the time at which we will need to seek additional capital.

We currently expect to use our net proceeds from this offering, together with our existing cash and cash equivalents, as follows:

- approximately $ to further develop our PGN-EDO51 program, including to ;
- approximately $ to further develop our PGN-EDODM1 program, including to ;
- approximately $ to further develop our PGN-EDO53 program, including to ;
- approximately $ to further develop our PGN-EDO45 and PGN-EDO44 programs, including to ;
- approximately $ to further develop our pipeline and platform, including to ; and
- the remaining proceeds for working capital and other general corporate purposes.

Our expected use of the net proceeds from this offering represents our intentions based upon our current plans and business conditions. As of the date of this prospectus, we cannot predict with certainty all of the particular uses for the net proceeds to be received upon the completion of this offering or the amounts that we will actually spend on the uses set forth above and we expect that we will require additional funds in order to fully accomplish the specified uses of the proceeds of this offering. We may also use a portion of the net proceeds to in-license, acquire, or invest in complementary businesses or technologies to continue to build our pipeline, research and development capabilities and our intellectual property position, although we currently have no agreements, commitments, or understandings with respect to any such transaction.

Based on our current plans, we believe that our existing cash and cash equivalents, together with the anticipated net proceeds from this offering, will enable us to fund our operating expenses and capital expenditure requirements into . The expected net proceeds from this offering will not be sufficient for us to fund any of our product candidates through regulatory approval, and we will need to raise substantial additional capital to complete the development and commercialization of our product candidates.

Due to the many inherent uncertainties in the development of our programs and product candidates, the amounts and timing of our actual expenditures may vary significantly depending on numerous factors, including the progress of our research and development, the timing of patient enrollment and evolving regulatory requirements, the timing and success of preclinical studies, our ongoing clinical trials or clinical trials we may commence in the future, the timing of regulatory submissions, any strategic alliances that we may enter into with third parties for our product candidates or strategic opportunities that become available to us, and any unforeseen cash needs.

Pending our use of the net proceeds from this offering, we intend to invest the net proceeds in a variety of capital preservation instruments, including short-term and long-term interest-bearing instruments, investment-grade securities, and direct or guaranteed obligations of the U.S. government. We cannot predict whether the proceeds invested will yield a favorable return. Our management will retain broad discretion in the application of the net proceeds we receive from our initial public offering, and investors will be relying on the judgment of our management regarding the application of the net proceeds.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain all available funds and any future earnings to fund the growth and development of our business. We do not intend to pay cash dividends to our stockholders in the foreseeable future. Any future determination to declare dividends will be made at the discretion of our board of directors and will depend on our financial condition, operating results, capital requirements, general business conditions, and other factors that our board of directors may deem relevant. Investors should not purchase our common stock with the expectation of receiving cash dividends.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and our capitalization as of December 31, 2021:

- on an actual basis;
- on a pro forma basis to give effect to (i) the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of 12,546,805 shares of our common stock as if such conversion had occurred as of December 31, 2021, and (ii) the filing and effectiveness of our amended and restated certificate of incorporation in connection with the completion of this offering; and
- on a pro forma as adjusted basis to give effect to the pro forma adjustments described above, and the issuance and sale of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this information together with our financial statements and related notes appearing elsewhere in this prospectus and the information set forth in the sections titled "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	As of December 31, 2021		
	Actual	Pro Forma	Pro Forma As Adjusted(1)
	(unaudited, in thousands)		
Cash and cash equivalents	$132,895	$	$
Preferred stock warrant liability	$ 226	$	$
Series A-1 convertible preferred stock, $0.0001 par value; 1,372,970 shares authorized, issued and outstanding, actual; no shares authorized, issued, and, outstanding, pro forma and pro forma as adjusted	8,454		
Series A-2 convertible preferred stock, $0.0001 par value; 3,974,598 shares authorized; 3,939,069 shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma and pro forma as adjusted	44,639		
Series B convertible preferred stock, $0.0001 par value; 7,234,766 shares authorized, issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma and pro forma as adjusted	112,083		
Stockholders' (deficit) equity:			
Common stock, $0.0001 par value; no shares authorized, issued or outstanding, actual; shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding , pro forma as adjusted	—		
Class A common stock(2), $0.0001 par value; 16,000,000 shares authorized, 1,051,720 shares issued and outstanding (including 70,780 that are restricted and subject to repurchase), actual; shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted	—		
Additional paid-in capital	1,653		
Accumulated other comprehensive income	17		
Accumulated deficit	(33,752)		
Total stockholders' (deficit) equity	(32,082)		
Total capitalization	$133,320	$	$

(1) Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, each of pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' (deficit)

equity, and total capitalization by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same. We may also increase or decrease the number of shares we are offering. Each increase or decrease of 1.0 million shares in the number of shares we are offering would increase or decrease, as applicable, each of pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' (deficit) equity, and total capitalization by approximately $ million, assuming the assumed initial public offering price per share, as set forth on the cover page of this prospectus, remains the same. The pro forma as adjusted information is illustrative only, and we will adjust this information based on the actual initial public offering price and other terms of this offering determined at pricing.

(2) In connection with this offering, we intend to re-designate all shares of Class A common stock as shares of common stock. Other than with respect to their names, the terms of common stock and Class A common stock will be identical.

The number of shares of common stock issued and outstanding pro forma and pro forma as adjusted in the table above is based on 1,051,720 shares of our common stock outstanding as of December 31, 2021, of which 70,780 were shares of unvested restricted common stock, and 12,546,805 shares of our common stock issuable upon the automatic conversion of all outstanding shares of our convertible preferred stock immediately prior to the completion of this offering, and excludes:

- 35,529 shares of Series A-2 convertible preferred stock issuable upon the exercise of outstanding preferred stock warrants as of December 31, 2021, at an exercise price of $11.42 per share, which will convert into 35,529 shares of our common stock;
- 1,932,273 shares of common stock issuable upon the exercise of stock options outstanding as of December 31, 2021, at a weighted average exercise price of $7.33 per share;
- 464,609 shares of our common stock reserved for future issuance under our existing equity incentive plans as of December 31, 2021, which will no longer be available following the effectiveness of our 2022 Plan described below;
- shares of our common stock reserved for future issuance under the 2022 Plan, which will adopted in connection with this offering; and
- shares of our common stock reserved for future issuance under the ESPP, which will be adopted in connection with this offering.

DILUTION

If you invest in our common stock in this offering, your ownership interest will be diluted immediately to the extent of the difference between the initial public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock after this offering.

Our historical net tangible book value (deficit) as of December 31, 2021 was $(32.1) million, or $(30.50) per share of our common stock. Our historical net tangible book value (deficit) is the amount of our total tangible assets less our total liabilities and preferred stock, which are not included within stockholders' (deficit). Historical net tangible book value (deficit) per share represents our historical net tangible book value (deficit) divided by the 1,051,720 shares of our common stock outstanding as of December 31, 2021.

Our pro forma net tangible book value as of December 31, 2021 was $, or $ per share of our common stock. Pro forma net tangible book value represents the amount of our total tangible assets less our total liabilities, after giving effect to the automatic conversion of all outstanding shares of our preferred stock into an aggregate of shares of common stock immediately prior to the completion of this offering. Pro forma net tangible book value per share represents pro forma net tangible book value divided by the total number of shares outstanding as of December 31, 2021, after giving effect to the automatic conversion of all outstanding shares of our preferred stock into common stock immediately prior to the completion of this offering.

After giving further effect to our issuance and sale of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of December 31, 2021 would have been $ million, or $ per share. This represents an immediate increase in pro forma as adjusted net tangible book value per share of $ to existing stockholders and immediate dilution of $ in pro forma as adjusted net tangible book value per share to new investors purchasing common stock in this offering. Dilution per share to new investors is determined by subtracting pro forma as adjusted net tangible book value per share after this offering from the assumed initial public offering price per share paid by new investors. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$
Historical net tangible book value per share as of December 31, 2021	$(30.50)	
Pro forma increase in net tangible book value per share as of December 31, 2021		
Pro forma net tangible book value per share as of December 31, 2021, before giving effect to this offering		
Increase in pro forma net tangible book value per share attributable to investors purchasing shares in this offering		
Pro forma as adjusted net tangible book value per share immediately after this offering		
Dilution in pro forma as adjusted net tangible book value per share to new investors purchasing shares in this offering		$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) our pro forma as adjusted net tangible book value by $ million, our pro forma as adjusted net tangible book value per share after this offering by $ and dilution per share to new investors purchasing shares in this offering by $, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A 1.0 million share increase in the number of shares offered by us, as set forth on the

cover page of this prospectus, would increase the pro forma as adjusted net tangible book value per share after this offering by $ and decrease the dilution per share to new investors participating in this offering by $, assuming no change in the assumed initial public offering price and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A 1.0 million share decrease in the number of shares offered by us, as set forth on the cover page of this prospectus, would decrease the pro forma as adjusted net tangible book value per share after this offering by $ and increase the dilution per share to new investors participating in this offering by $, assuming no change in the assumed initial public offering price and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares in full, our pro forma as adjusted net tangible book value per share after this offering would be $ per share, representing an immediate increase in pro forma as adjusted net tangible book value per share of $ to existing stockholders and immediate dilution in pro forma as adjusted net tangible book value per share of $ to new investors purchasing common stock in this offering, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. If any shares are issued upon exercise of outstanding options or warrants, you will experience further dilution.

The following table summarizes, on the pro forma as adjusted basis described above, the differences between the number of shares of common stock purchased from us, the total consideration paid to us and the average price per share paid by existing stockholders and by new investors purchasing shares of common stock in this offering. The calculation below is based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us:

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	$	%	$
New investors					$
Total		100.0%	$	100.0%	

The table above assumes no exercise of the underwriters' option to purchase additional shares in this offering. If the underwriters' option to purchase additional shares is exercised in full, the number of shares of our common stock held by existing stockholders would be reduced to % of the total number of shares of our common stock outstanding after this offering, and the number of shares of common stock held by new investors participating in the offering would be increased to % of the total number of shares of our common stock outstanding after this offering.

The foregoing tables and calculations (other than the historical net tangible book value (deficit) calculations) are based on 1,051,720 shares of our common stock outstanding as of December 31, 2021, of which 70,780 were shares of unvested restricted common stock, and 12,546,805 shares of our common stock issuable upon the automatic conversion of all outstanding shares of our convertible preferred stock immediately prior to the completion of this offering, and excludes:

- 35,529 shares of Series A-2 convertible preferred stock issuable upon the exercise of outstanding preferred stock warrants as of December 31, 2021, at an exercise price of $11.42 per share, which will convert into 35,529 shares of our common stock;
- 1,932,273 shares of common stock issuable upon the exercise of stock options outstanding as of December 31, 2021, at a weighted average exercise price of $7.33 per share;

- 464,609 shares of our common stock reserved for future issuance under our existing equity incentive plans as of December 31, 2021, which will no longer be available following the effectiveness of our 2022 Plan described below;
- shares of our common stock reserved for future issuance under the 2022 Plan, which will adopted in connection with this offering; and
- shares of our common stock reserved for future issuance under the ESPP, which will be adopted in connection with this offering.

To the extent that outstanding options are exercised or shares are issued under our 2022 Plan, you will experience further dilution. In addition, we may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent that additional capital is raised through the sale of equity or convertible debt securities, the issuance of these securities may result in further dilution to our stockholders.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans, strategies, objectives, expectations and intentions for our business and related financing, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth in the "Risk Factors" section of this prospectus, our actual results could differ materially from the results described in or implied by these forward-looking statements. Please also see the section titled "Special Note Regarding Forward-Looking Statements."

Overview

We are a clinical-stage biotechnology company advancing the next generation of oligonucleotide therapeutics with the goal of transforming the treatment of severe neuromuscular and neurologic diseases. Our Enhanced Delivery Oligonucleotide, or EDO, platform is founded on over a decade of research and development and leverages cell-penetrating peptides to improve the uptake and activity of conjugated oligonucleotide therapeutics. This technology was initially developed through a collaboration between researchers at the University of Oxford and the Medical Research Council of United Kingdom Research and Innovation. We have in-licensed an extensive patent portfolio from these institutions to support the further advancement and potential commercialization of our EDO platform. Our EDO peptides are engineered to optimize tissue penetration, cellular uptake and nuclear delivery, and in preclinical studies we have observed their ability to transport oligonucleotides into a broad range of target tissues, including smooth, skeletal, and cardiac muscle and the central nervous system, or CNS. Furthermore, the high levels of pharmacological activity observed in preclinical studies support our belief that our EDO platform technology has the potential to deliver therapeutic agents to the cell nucleus. Using these EDO peptides, we are generating a pipeline of oligonucleotide therapeutic candidates that target the root cause of serious diseases.

We are currently in clinical-stage development, with our product candidate, PGN-EDO51, having entered the clinic in the second quarter of 2022. We are developing PGN-EDO51, to treat individuals with Duchenne muscular dystrophy, or DMD, whose mutations are amenable to an exon 51-skipping therapeutic approach. An exon is a segment of a gene that – together with other exons – contains the code that is translated into a protein. Exon skipping is a therapeutic modality that enables mutations in the gene to be bypassed, thereby repairing this code and enabling production of a truncated, yet functional version of the target protein. In non-human primate, or NHP, studies, PGN-EDO51 at a dose of 30 mg/kg achieved over 70% exon 51 skipping in skeletal muscle, including diaphragm. Based on a head-to-head comparison with the most clinically-advanced peptide-conjugated oligonucleotide therapeutic, and on cross-trial comparisons with publicly-available data for other preclinical approaches, we believe this to be the highest rate of exon 51 skipping reported for any approved therapeutic or known development candidate at tolerable dose levels. Following the review of our preclinical dataset by Health Canada and subsequent authorization of our Clinical Trial Application, or CTA, we have initiated a Phase 1 clinical trial of PGN-EDO51 in healthy normal volunteers, or HNV, and we anticipate receiving topline data from this trial by the end of 2022. We are also developing PGN-EDODM1 for the treatment of myotonic dystrophy type 1, or DM1, for which we anticipate submitting an investigational new drug, or IND, application in the first half of 2023, and PGN-EDO53 for the treatment of DMD patients whose mutations are amenable to an exon 53- skipping therapeutic approach, for which we anticipate reporting exon skipping data in NHPs in the second half of 2022. Alongside these therapeutic candidates, we have initiated research efforts on EDO therapeutics for further DMD exon skipping populations, including exon 45- and exon 44- skipping amenable patients, and for additional indications, including neuromuscular diseases and neurologic disorders. We anticipate advancing additional programs into CTA and IND-enabling studies in 2024.

Since our inception, we have not generated any revenue from product sales or other sources and have incurred significant operating losses and negative cash flows from our operations. Our primary uses of cash to

date have been to fund our research and development activities, business planning, establishing and maintaining our intellectual property portfolio, acquiring and developing product and technology rights, hiring personnel, leasing premises and associated capital expenditures, raising capital, and providing general and administrative support for these operations. To date, we have funded our operations primarily through private placements of our convertible preferred stock. As of December 31, 2021, we had received aggregate gross proceeds of $163.9 million from these private placements and had cash and cash equivalents of $132.9 million. In July 2021, we raised gross proceeds of $21.0 million from the final milestone closing of our Series A-2 convertible preferred stock and additionally, in July 2021, we raised aggregate gross proceeds of $112.5 million from the private placement of our Series B convertible preferred stock.

We have incurred operating losses in each year since our inception. Our net losses were $1.9 million and $27.3 million for the years ended December 31, 2020 and 2021, respectively. As of December 31, 2021, we had an accumulated deficit of $33.8 million. We expect our expenses and operating losses will increase substantially as we conduct our ongoing preclinical studies and current and planned clinical trials, continue our research and development activities, utilize third parties to manufacture our product candidates and related raw materials, hire additional personnel, protect our intellectual property and incur additional costs associated with being a public company, including audit, legal, regulatory, and tax-related services associated with maintaining compliance with an exchange listing and SEC requirements, director and officer insurance premiums, and investor relations costs. In addition, we have several development, regulatory and commercial milestone payment obligations under our licensing arrangements. Our net losses may fluctuate significantly from quarter-to-quarter and year-to-year, depending on the timing of our preclinical studies and current and planned clinical trials and our expenditures on other research and development activities.

Based upon our current operating plans, we believe that the estimated net proceeds from this offering, together with our existing cash and cash equivalents, will be sufficient to fund our operations into . See "Use of Proceeds." We do not expect to generate any revenues from product sales unless and until we successfully complete development and obtain regulatory approval for one or more of our product candidates, which will not be for at least the next several years, if ever. If we obtain regulatory approval for any of our product candidates, we expect to incur significant commercialization expenses related to product sales, marketing, manufacturing and distribution. Accordingly, until such time as we can generate significant revenue from sales of our product candidates, if ever, we expect to finance our cash needs through equity offerings, debt financings or other capital sources, including potential collaborations, licenses and other similar arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. Our failure to raise capital or enter into such other arrangements when needed would have a negative impact on our financial condition and could force us to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

Impact of COVID-19 on our Business

The global coronavirus disease 2019, or COVID-19, pandemic continues to evolve, and we will continue to monitor the COVID-19 situation. The extent of the impact of the ongoing COVID-19 pandemic on our business, operations and clinical development timelines and plans remains uncertain, and will depend on certain developments, including the duration and spread of the pandemic and its impact on contract research organizations, or CROs, third-party manufacturers, and other third parties with whom we do business, as well as its impact on regulatory authorities and our key scientific and management personnel. The ultimate impact of the ongoing COVID-19 pandemic or a similar health epidemic is highly uncertain and subject to change. To the extent possible, we are conducting business as usual, with only advisable modifications to employee travel. We will continue to actively monitor the rapidly evolving situation related to COVID-19 and may take further actions that alter our operations, including those that may be required by federal, state or local authorities, or that we determine are in the best interests of our employees and other third parties with whom we do business. At this point, the extent to which the ongoing COVID-19 pandemic may affect our business, operations and clinical

development timelines and plans, including the resulting impact on our expenditures and capital needs, remains uncertain and is subject to change.

Corporate Reorganization

We were initially formed as PepGen Limited on January 25, 2018, in the United Kingdom. On November 9, 2020, PepGen Limited initiated a corporate reorganization, or the Reorganization. As part of the Reorganization, PepGen Limited formed PepGen Inc., a Delaware corporation with nominal assets and liabilities, for the purpose of consummating the Reorganization. In connection with the Reorganization, the existing shareholders of PepGen Limited exchanged each of their classes of shares of PepGen Limited for the same number and class of common stock of PepGen Inc. on a one-to-one basis. The newly issued stock of PepGen Inc. had substantially identical rights to the exchanged shares of PepGen Limited. As a result of the exchange, PepGen Inc. became the sole shareholder of PepGen Limited. Upon the completion of the Reorganization on November 23, 2020, the historical financial statements of PepGen Limited became the historical financial statements of PepGen Inc., as the Reorganization was deemed to be between entities under common control.

After the Reorganization was completed, PepGen Limited began the process of transferring certain operations, including financial management functions, to PepGen Inc. pursuant to an intercompany services agreement, effective as of April 2021, and certain assets, including a novation of all intellectual property assets, pursuant to an asset transfer agreement, effective as of January 1, 2022. We expect that PepGen Limited will continue to transfer additional operations and assets to PepGen Inc. in 2022.

Components of Results of Operations

Revenue

We currently have no products approved for sale, and we have not generated any revenue to date. In the future, we may generate revenue from collaboration or license agreements we may enter into with respect to our drug candidates, as well as product sales from any approved product, which approval we do not expect to occur for at least the next several years, if ever. Our ability to generate product revenue will depend on the successful development and eventual commercialization of the drug candidates we pursue. If we fail to complete preclinical and clinical development of product candidates or obtain regulatory approval for them, our ability to generate future revenues, and our results of operations and financial position would be adversely affected.

Operating Expenses

Research and Development

To date, our research and development expenses have primarily consisted of external and internal costs associated with our research and development activities, including our discovery and research efforts, including the development of our proprietary EDO platform, and the preclinical and clinical development of our product candidates. Our research and development expenses include:

- external expenses, including expenses incurred under arrangements with third parties, such as contract research organizations, or CROs, contract manufacturers or CMOs, consultants and our scientific advisors;
- personnel-related costs, including salaries, cash incentive compensation, payroll taxes, employee benefits, and stock-based compensation;
- costs for laboratory supplies and materials and reagents for chemical synthesis of product candidates; and

- facility costs, depreciation, and other expenses, which include direct and allocated expenses for rent and maintenance of facilities, insurance, and other supplies.

Research and development expenses are recognized as incurred and payments made prior to the receipt of goods or services to be used in research and development activities are capitalized as prepaid expenses until the goods or services are received. Research and development expenses are presented net of reimbursement received related to a U.K. grant and refundable research and development tax credits from the U.K government. We do not expect our research and development tax credits from the U.K. government to be material in future years as the intellectual property has been transferred from our wholly-owned U.K. subsidiary, PepGen Limited, to the parent Company, PepGen Inc. in January 2022.

The following table summarizes our research and development expenses for the years ended December 31, 2020 and 2021. The direct external development program expenses reflect external costs attributable to our clinical development candidates and preclinical candidates selected for further development. Our internal resources, personnel and infrastructure are not directly tied to any one research or drug discovery program and are typically deployed across multiple programs. As such, we do not track internal expenses on a specific program basis.

	Year Ended December 31,	
	2020	2021
External expenses:		
PGN-EDO51	$ 550	$ 12,888
PGN-EDODM1	107	1,691
PGN-EDO53	—	45
Other programs and unallocated expenses	46	202
Total external expense	703	14,826
Internal expenses:		
Personnel-related (including stock-based compensation)	194	2,960
Other	127	1,213
Total research and development expenses	$ 1,024	$ 18,999

We plan to substantially increase our research and development expenses for the foreseeable future as we continue to conduct our ongoing research and development activities, advance our preclinical research programs toward clinical development, including conducting IND- and CTA-enabling studies, and conducting clinical trials. The process of conducting preclinical studies and clinical trials necessary to obtain regulatory approval is costly and time consuming. We may never succeed in achieving marketing approval for any of our product candidates.

The timelines and costs associated with research and development activities are uncertain and can vary significantly for each product candidate and development program due to the inherently unpredictable nature of preclinical and clinical development. We anticipate we will make determinations as to which programs to pursue and how much funding to direct to each program on an ongoing basis in response to preclinical and clinical results, regulatory developments, and ongoing assessments as to each program's commercial potential. We will need to raise substantial additional capital in the future.

Our future development costs may vary significantly based on factors such as:

- animal and other preclinical studies and IND- or CTA-enabling studies;
- per patient trial costs;
- the number of trials required for approval;
- the number of sites included in the trials;

- the countries in which the trials are conducted;
- the length of time required to enroll eligible patients;
- the number of patients that participate in the trials;
- the number of doses that patients receive;
- the drop-out or discontinuation rates of patients;
- the duration of patient participation in the trials and follow-up;
- the cost and timing of manufacturing our product candidates;
- the efficacy and safety profile of our product candidates; and
- maintaining a continued acceptable safety profile of our products if any receive regulatory approval.

General and Administrative

General and administrative expenses consist primarily of personnel-related costs, including salaries, cash incentive compensation, payroll taxes, employee benefits, and stock-based compensation charges for those individuals in executive, finance, facility operations, and other administrative functions. Other significant costs include legal fees relating to intellectual property and corporate matters, professional fees for accounting and consulting services, and insurance costs.

We anticipate that our general and administrative expenses will increase for the foreseeable future to support our continued research and development activities. We also anticipate increased expenses related to audit, legal, regulatory, and tax-related services associated with maintaining compliance with our exchange listing and SEC requirements, director and officer insurance premiums, and investor relations costs associated with operating as a public company.

Other Income (Expense), Net

Interest income

Interest income consists primarily of interest earned on our cash deposits.

Other income (expense)

We classify our outstanding warrants to purchase shares of our Series A-2 convertible preferred stock as liabilities on our consolidated balance sheets at their estimated fair value as the underlying convertible preferred stock is classified as temporary equity. At the end of each reporting period, changes in the estimated fair value during the period are recorded as a component of other income (expense), net. We will continue to recognize changes in the fair value of our warrant liability until the warrants are exercised, expire, or qualify for equity classification. The warrants provide that, unless earlier exercised by the holders thereof, they will automatically be exercised on a net basis in connection with an initial public offering.

In connection with this offering we will be required to pay Oxford University Innovation Limited, or OUI, an exit fee not to exceed £5.0 million (or $6.8 million as of December 31, 2021). As of December 31, 2021, we concluded the exit event was not probable and therefore no obligation was recorded. In connection with this offering, we have agreed to pay the amount of £ (or $ million as of December 31, 2021) in

satisfaction of these obligations. As a result, we anticipate that upon the closing of this offering, a liability in such amount will be recorded.

Income Taxes

We have not recorded a provision for federal or state income taxes as we have had cumulative net operating losses since inception.

Results of Operations

Comparison of the Years Ended December 31, 2020 and 2021

The following table summarizes our results of operations for the years ended December 31, 2020 and 2021 (in thousands):

	Year Ended December 31,		Period-to-Period Change	Period-to-Period Percentage Change
	2020	2021		
Operating expenses:				
Research and development (including related party amounts of $152 and $945, respectively)	$ 1,024	$ 18,999	$ 17,975	1755%
General and administrative	853	8,110	7,257	851%
Total operating expenses	1,877	27,109	25,232	1344%
Operating loss	(1,877)	(27,109)	(25,232)	1344%
Other income (expense), net				
Interest income	8	—	(8)	-100%
Other income (expense), net	(20)	(172)	(152)	760%
Total other income (expense), net	(12)	(172)	(160)	1333%
Net loss	$ (1,889)	$ (27,281)	$ (25,392)	1344%

Research and Development Expenses

Research and development expenses increased by $18.0 million from $1.0 million for the year ended December 31, 2020, to $19.0 million for the year ended December 31, 2021. This increase was attributable to increased research and development activities related to the advancement of our pipeline programs, including a $14.1 million increase in preclinical and manufacturing costs and a $2.8 million increase in personnel-related costs due to increased headcount, including an increase of $0.4 million in stock-based compensation expense.

General and Administrative Expenses

General and administrative expenses increased by $7.3 million from $0.9 million for the year ended December 31, 2020, to $8.1 million for the year ended December 31, 2021. The increase was primarily driven by an increase of $4.8 million in legal fees, accounting services and consulting, and an increase of $2.6 million in personnel-related costs due to increased headcount, including $1.1 million in stock-based compensation expense.

Other Income (Expense), Net

Other expense, net was $20,000 for the year ended December 31, 2020 compared to other expense, net of $0.2 million for the year ended December 31, 2021. The increase was primarily attributable to the increase in fair value of warrants to purchase shares of our Series A-2 convertible preferred stock.

Liquidity and Capital Resources

Sources of Liquidity

From our inception in January 2018 through December 31, 2021, we have received aggregate gross proceeds of $163.9 million from the sale of our common stock and convertible preferred stock.

Future Funding Requirements

As of December 31, 2021, we had cash and cash equivalents in the amount of $132.9 million. Based on our current operating plans, we believe that our existing cash and cash equivalents, together with the estimated net proceeds from this offering, will be sufficient to fund our operations into . However, our forecast of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement that involves risks and uncertainties, and actual results could vary materially. We have based this estimate on assumptions that may prove to be wrong, and we could deplete our capital resources sooner than we expect. Additionally, the process of conducting preclinical studies and testing product candidates in clinical trials is costly, and the timing of progress and expenses in these studies and trials is uncertain.

Our future capital requirements will depend on many factors, including but not limited to:

- the type, number, scope, progress, expansions, results, costs, and timing of, discovery, preclinical studies and clinical trials of our product candidates which we are pursuing or may choose to pursue in the future;
- the costs and timing of manufacturing for our product candidates and commercial manufacturing if any product candidate is approved;
- the costs, timing, and outcome of regulatory review of our product candidates;
- the terms and timing of establishing and maintaining licenses and other similar arrangements;
- the legal costs of obtaining, maintaining, and enforcing our patents and other intellectual property rights;
- our efforts to enhance operational systems and hire additional personnel to satisfy our obligations as a public company;
- the costs associated with hiring additional personnel and consultants as our preclinical and clinical activities increase;
- the costs and timing of establishing or securing sales and marketing capabilities if any product candidate is approved;
- our ability to achieve sufficient market acceptance, coverage and adequate reimbursement from third-party payors and adequate market share and revenue for any approved products; and
- costs associated with any products or technologies that we may in-license or acquire.

Until such time, if ever, as we can generate substantial product revenue to support our cost structure, we expect to finance our cash needs through equity offerings, debt financings, or other capital sources, potentially including collaborations, licenses, and other similar arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. To the extent

that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be or could be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends. If we raise funds through collaborations, or other similar arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or drug candidates or grant licenses on terms that may not be favorable to us and/or may reduce the value of our common stock. Our failure to raise capital or enter into such other arrangements when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market our drug candidates even if we would otherwise prefer to develop and market such drug candidates ourselves.

Cash Flows

The following table sets forth a summary of the net cash flow activity for the years ended December 31, 2020 and 2021 (in thousands):

	Year Ended December 31,	
	2020	2021
Net cash (used in) provided by:		
Operating activities	$ (1,652)	$ (22,599)
Investing activities	(8)	(500)
Financing activities	7,952	147,656
Effect of exchange rate changes on cash	(5)	33
Net increase in cash, cash equivalents and restricted cash	$ 6,287	$ 124,590

Operating Activities

For the year ended December 31, 2020, net cash used in operating activities was $1.7 million resulting from our net loss of $1.9 million partially offset by non-cash charges of $0.2 million. There were no net changes in our operating assets and liabilities as increases in accounts payable, were offset by decreases in other current assets. The non-cash charges included $0.1 million of depreciation expense and $0.1 million of stock-based compensation expense.

For the year ended December 31, 2021, net cash used in operating activities was $22.6 million resulting from our net loss of $27.3 million partially offset by cash provided by changes in our operating assets and liabilities of $2.8 million and non-cash charges of $1.9 million. The net changes in our operating assets and liabilities were primarily due to increases in accrued expenses and accounts payable of $9.3 million, partially offset by increases in other receivables and prepaids and other current and non-current assets of $6.6 million. The non-cash charges included $1.5 million of stock-based compensation, $0.2 million of depreciation expense and $0.2 million from the change in the fair value of preferred stock warrant liability.

Investing Activities

Net cash used in investing activities was $8,000 during the year ended December 31, 2020 as compared to $0.5 million during the year ended December 31, 2021. The increase in net cash used in investing activities was due to an increase in purchases of property and equipment.

Financing Activities

Net cash provided by financing activities was $8.0 million during the year ended December 31, 2020 as compared to $147.7 million during the year ended December 31, 2021. The increase in net cash provided by financing activities was primarily due to the proceeds of $37.0 million raised from the sale of our Series A-2 convertible preferred stock and the proceeds of $112.1 million from the sale of our Series B convertible preferred stock, compared to proceeds of $8.0 million raised from the sale of our Series A-2 convertible preferred stock in the comparable period.

Contractual Obligations and Commitments

As of December 31, 2021, we did not have any long-term debt obligations, capital lease obligations, purchase obligations or long-term liabilities. We have four short term operating leases. We have two operating leases for office and laboratory space located in Cambridge, Massachusetts, which are both cancelable within 30 days of a written notice and require monthly payments totaling approximately $55,000; one operating lease for a one year term for laboratory space in Newton, Massachusetts with monthly payments totaling approximately $35,000; and one operating lease for laboratory space in Oxford, United Kingdom with a one year annual renewal, which may be cancelled on a one-month rolling notice basis and expires in September 2022, with monthly payments totaling approximately £11,000 (approximately $15,000 as of December 31, 2021). In December 2021, we entered a lease for 31,668 square feet of office space at 321 Harrison Street, Boston, Massachusetts 02118. The current term of the lease is 110 months, beginning on the lease commencement date, which is expected to occur in the second half of 2022. Rental payments begin when the lease commences, and are approximately $2.9 million annually, with a 3% escalation per year.

We enter into contracts in the normal course of business for contract research services, contract manufacturing services, professional services and other services and products for operating purposes. These contracts generally provide for termination after a notice period, and, therefore, are considered cancelable contracts.

We have also entered into a license agreement with Oxford University Innovation Limited, or OUI, and the Medical Research Council of United Kingdom Research and Innovation, or MRC, under which we are obligated to make specified milestone and royalty payments. We paid a completion fee of £50,000 upon signing and upfront fees in an aggregate amount of £30,000, and are obligated to pay to OUI low, single-digit royalties, on net sales in excess of a threshold amount between £20 million and £30 million of any OUI/MRC Licensed Products that are commercialized by us or our sublicensees, subject to certain adjustments. The payment obligations under this license agreement are contingent upon future events, such as our achievement of specified development, regulatory and commercial milestones, or generating product sales. We are unable to estimate the timing or likelihood of achieving these milestones or generating future product sales.

In connection with this offering, we will also be required to pay OUI an exit fee between 0.5% to 2% of the value determined in this offering, not to exceed £5.0 million (or $6.8 million as of December 31, 2021). In lieu of paying the exit fee, we have the option to pay a buy out fee, which can be paid at any time to release us from our obligation to pay the exit fee. In connection with this offering, we have agreed to pay the amount of £ (or $ million as of December 31, 2021) in satisfaction of these obligations.

For more information about our license agreement with OUI and MRC, see “Business—Intellectual Property—License agreement with the Oxford University Innovation Limited and the Medical Research Council of United Kingdom Research and Innovation.”

Off-Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements as defined under rules and regulations of the SEC.

Critical Accounting Polices and Estimates

Our management's discussion and analysis of our financial condition and results of operations are based on our financial statements, which are prepared in accordance with generally accepted accounting principles in the United States, or GAAP. The preparation of our financial statements requires us to make estimates and management discussion assumptions that affect the reported amounts of assets, liabilities, costs, and expenses and the disclosure of contingent assets and liabilities in our financial statements and accompanying notes. We base our estimates and assumptions on historical experience and other factors that we believe to be reasonable under the circumstances. We evaluate our estimates and judgments on an ongoing basis. We base our estimates on historical experience, known trends and events, and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Our actual results may differ from these estimates under different assumptions or conditions.

While our significant accounting policies are more fully described in Note 2, *"Summary of Significant Accounting Policies"* to our consolidated financial statements appearing elsewhere in this prospectus, we believe that the following accounting policies are the most critical for fully understanding and evaluating our financial condition and results of operations.

Research and Development Expenses and Accrued Research and Development Costs

We are required to estimate our expenses resulting from obligations under contracts with vendors, consultants, CMOs, and CROs, in connection with conducting research and development activities. The financial terms of these contracts are subject to negotiations, which vary from contract to contract and may result in payment flows that do not match the periods over which materials or services are provided under such contracts. We reflect research and development expenses in our financial statements by matching those expenses with the period in which services and efforts are expended. We account for these expenses according to the progress of the applicable preclinical or clinical study as measured by the timing of various aspects of the study or related activities. We determine accrual estimates through review of the underlying contracts along with preparation of financial models taking into account discussions with research and other key personnel as to the progress of studies, or other services being conducted. During the course of a study, we adjust our rate of expense recognition if actual results differ from our estimates.

Although we do not expect our estimates to be materially different from amounts actually incurred, if our estimates of the status and timing of services performed differ from the actual status and timing of services performed, it could result in us reporting amounts that are too high or too low in any particular period. To date, there have been no material differences between our estimates of such expenses and the amounts actually incurred.

Stock-Based Compensation

Stock-based compensation expense represents the cost of the grant date fair value of equity awards recognized over the requisite service period of the awards (usually the vesting period) on a straight-line or accelerated basis. We estimate the fair value of stock option awards using the Black-Scholes option pricing model and recognize forfeitures as they occur.

The Black-Scholes option pricing model requires the use of subjective assumptions, including the risk-free interest rate, the expected stock price volatility, the expected term of stock options, the expected dividend yield, and the fair value of the underlying common stock on the date of grant. Changes in the assumptions can materially affect the fair value and ultimately how much stock-based compensation expense is recognized. These inputs are subjective and generally require judgment to develop. See Note 10, *"Stock-Based Compensation"* to our consolidated financial statements included elsewhere in this prospectus for information concerning certain of the

specific assumptions we used in applying the Black-Scholes option pricing model to determine the estimated fair value of our stock options granted in the years ended December 31, 2020 and 2021. Stock-based compensation totaled $0.1 million and $1.5 million for the years ended December 31, 2020 and 2021, respectively.

As of December 31, 2021, the unrecognized stock-based compensation expense related to stock options was $8.5 million which is expected to be recognized as expense over a weighted-average period of approximately 3.6 years. The intrinsic value of all outstanding stock options as of December 31, 2021 was approximately $ million, based on the assumed public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, of which approximately $ million related to vested options and approximately $ million related to unvested options.

Common Stock Valuations and Stock Option Grants

We are required to estimate the fair value of the common stock underlying our stock-based awards when performing fair value calculations using the Black-Scholes option pricing model. Because our common stock is not currently publicly traded, the fair value of the common stock underlying our stock-based awards has been determined on each grant date by our board of directors, with input from management, considering our most recently available third-party valuation of common shares. All options to purchase shares of our common stock are intended to be granted with an exercise price per share no less than the fair value per share of our common stock underlying those options on the date of grant, based on the information known to us on the date of grant.

Our determination of the value of our common stock was performed using methodologies, approaches, and assumptions consistent with the American Institute of Certified Public Accountants, or AICPA, Audit and Accounting Practice Aid Series: Valuation of Privately Held Company Equity Securities Issued as Compensation, or the AICPA Practice Aid. In addition, our board of directors considered various objective and subjective factors to determine the fair value of our common stock, including:

- valuations of our common stock performed with the assistance of independent third-party valuation specialists;
- our stage of development and business strategy, including the status of research and development efforts of our product candidates, and the material risks related to our business and industry;
- our results of operations and financial position, including our levels of available capital resources;
- the valuation of publicly traded companies in the life sciences and biotechnology sectors, as well as recently completed mergers and acquisitions of peer companies;
- the lack of marketability of our common stock as a private company;
- the prices of our convertible preferred stock sold to investors in arm’s length transactions and the rights, preferences, and privileges of our convertible preferred stock relative to those of our common stock;
- the likelihood of achieving a liquidity event for the holders of our common stock, such as an initial public offering or a sale of our company, given prevailing market conditions;
- trends and developments in our industry; and
- external market conditions affecting the life sciences and biotechnology industry sectors.

The AICPA Practice Aid identifies various available methods for allocating enterprise value across classes and series of capital stock to determine the estimated fair value of common stock at each valuation date. In accordance with the Practice Aid, we considered the following methods:

Option Pricing Method, or OPM—Under the OPM, shares are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The estimated fair values of the preferred and common stock are inferred by analyzing these options. This method is appropriate to use when the range of possible future outcomes is so difficult to predict that estimates would be highly speculative, and dissolution or liquidation is not imminent.

Probability—Weighted Expected Return Method, or PWERM - The PWERM is a scenario-based analysis that estimates value per share based on the probability-weighted present value of expected future investment returns, considering each of the possible outcomes available to us, as well as the economic and control rights of each share class.

Hybrid Method—The hybrid method is a PWERM where the equity value in one or more scenarios is calculated using an OPM.

Based on our early stage of development, the difficulty in predicting the range of specific outcomes (and their likelihood) and other relevant factors, we determined that an OPM was the most appropriate method for allocating our enterprise value to determine the estimated fair value of our common stock for valuation dates through 2020. In order to determine the fair value of our common stock on a marketable basis, we then applied a discount for lack of marketability which we derived based on inputs including a company-specific volatility rate, a term equal to the expected time to a future liquidity event and a risk-free rate equal to the yield on treasuries of similar duration.

In 2021, we incorporated the Hybrid Method into the valuation process as a result of our November 2020 Series A preferred stock financing and the likelihood of the occurrence of certain discrete events, such as an initial public offering, which is a result of improving market conditions and receptivity of the market to initial public offerings. In the PWERM, we established our enterprise value utilizing our recent financing rounds and a future enterprise vale based on precedent initial public offerings. The enterprise value determined under the PWERM and OPM was weighted according to management's estimate of the probability of the occurrence of a potential initial public offering as of the valuation date. The resulting equity value for our common stock was then determined by taking the per share value from each approach and applying their respective weightings to arrive at a per share value on a non-marketable basis. In order to determine the fair value of our common stock on a marketable basis, we then applied a discount for lack of marketability which we derived based on inputs including a company-specific volatility rate, a term equal to the expected time to a future liquidity event and a risk-free rate equal to the yield on treasuries of similar duration.

There are significant judgments and estimates inherent in the determination of the fair value of our common stock. These judgments and estimates include assumptions regarding our future operating performance, the time to completing an IPO or other liquidity event and the determination of the appropriate valuation methods. If we had made different assumptions, our stock-based compensation expense, net loss, and net loss per common share could have been significantly different.

The following table sets forth by grant date the number of shares subject to stock options granted from March 22, 2021, the date we first granted options in PepGen Inc., through the date of this prospectus, the per share exercise price of options, the fair value of common stock per share on each grant date, and the per share estimated fair value of options:

Grant Date	Number of Shares Subject to Options Granted	Per Share Exercise Price of Options(1)	Fair Value per Common Share on Grant Date(1)	Per Share Estimated Fair Value of Options(2)
March 22, 2021(3)	86,772	$ 0.00	$ 2.66	$ 2.66
March 22, 2021(4)	7,330	$ 4.87	$ 2.66	$ 1.28
March 22, 2021	459,774	$ 2.66	$ 2.66	$ 1.63
March 30, 2021	21,760	$ 2.66	$ 2.66	$ 1.63
April 21, 2021	49,328	$ 2.66	$ 2.66	$ 1.69
August 30, 2021	122,035	$ 8.80	$ 8.80	$ 5.99
September 3, 2021	158,537	$ 8.80	$ 8.80	$ 5.99
September 6, 2021	483,704	$ 8.80	$ 8.80	$ 5.99
September 27, 2021	34,658	$ 11.56	$ 11.56	$ 7.77
November 11, 2021	457,325	$ 10.68	$ 10.68	$ 7.39
December 17, 2021	134,700	$ 10.68	$ 10.68	$ 7.38
February 28, 2022	117,600	$ 11.03	$ 11.03	(5)
March 4, 2022	15,000	$ 11.03	$ 11.03	(5)
March 7, 2022	47,500	$ 11.03	$ 11.03	(5)
	2,196,073			

(1) The per share exercise price of options represents the fair value of our common stock on the date of grant, as determined by our board of directors, after taking into account our most recently available contemporaneous valuation of our common stock as well as additional factors that may have changed since the date of such contemporaneous valuation through the date of grant.

(2) The per share estimated fair value of options reflects the weighted average fair value of options granted on each grant date, determined using the Black-Scholes option pricing model.

(3) These options were granted at par value.

(4) This option was granted based on a pre-determined price.

(5) We intend to determine our compensation expense relating to the February and March 2022 awards in connection with the preparation of our consolidated financial statements for the period ending March 31, 2022. Once determined, our estimate of the grant date fair value of these share-based awards will be reflected in the financial statements relating to such period.

Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

As of December 31, 2021, we had $132.9 million in cash cash equivalents and consisting of cash in a readily available checking account and U.S. treasury-backed money market funds. Our primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of U.S. interest rates. However, because of the short-term maturities of our investments, we believe a hypothetical 100 basis point increase or decrease in interest rates during any of the periods presented would not have had a material impact on our financial results.

Foreign Currency Exchange Risk

We are exposed to foreign exchange rate risk. Our headquarters is located in the United States, where the majority of our general and administrative expenses and research and development costs are incurred in U.S. dollars. A portion of our research and development and personnel costs are incurred by our subsidiary in the

United Kingdom, where we engage in transactions and whose functional currency is the British Pound. While we are subject to fluctuations in foreign currency rates in connection with these arrangements, to date, these fluctuations have not been significant. Based on our expected volumes with these vendors and employees in fiscal year 2021, a movement of 10% in the exchange rates would not have a material effect on our results of operations or financial condition.

Emerging Growth Company Status

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act, or JOBS Act, and may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies. We may take advantage of these exemptions until we are no longer an "emerging growth company." Section 107 of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period afforded by the JOBS Act for the implementation of new or revised accounting standards. We have elected to use the extended transition period for complying with new or revised accounting standards and as a result of this election, our consolidated financial statements may not be comparable to companies that comply with public company effective dates. We may take advantage of these exemptions up until the last day of the fiscal year following the fifth anniversary of the completion of this offering or such earlier time that we are no longer an "emerging growth company."

Recent Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position and results of operations is disclosed in Note 2, "*Summary of Significant Accounting Policies*" to our consolidated financial statements included elsewhere in this prospectus.

BUSINESS

Overview

We are a clinical-stage biotechnology company advancing the next generation of oligonucleotide therapeutics with the goal of transforming the treatment of severe neuromuscular and neurologic diseases. Our Enhanced Delivery Oligonucleotide, or EDO, platform is founded on over a decade of research and development and leverages cell-penetrating peptides to improve the uptake and activity of conjugated oligonucleotide therapeutics. This technology was initially developed through a collaboration between researchers at the University of Oxford and the Medical Research Council of United Kingdom Research and Innovation. We have in-licensed an extensive patent portfolio from these institutions to support the further advancement and potential commercialization of our EDO platform. Our EDO peptides are engineered to optimize tissue penetration, cellular update and nuclear delivery, and in preclinical studies we have observed their ability to transport oligonucleotides into a broad range of target tissues, including smooth, skeletal, and cardiac muscle and the central nervous system, or CNS. Furthermore, the high levels of pharmacological activity observed in preclinical studies support our belief that our EDO platform technology has the potential to deliver therapeutic agents to the cell nucleus. Using these EDO peptides, we are generating a pipeline of oligonucleotide therapeutic candidates that target the root cause of serious diseases.

We are currently in clinical-stage development, with our lead product candidate, PGN-EDO51, having entered the clinic in the second quarter of 2022. We are developing PGN-EDO51 to treat individuals with Duchenne muscular dystrophy, or DMD, whose mutations are amenable to an exon 51-skipping therapeutic approach. An exon is a segment of a gene that – together with other exons – contains the code that is translated into a protein. Exon skipping is a therapeutic modality that enables mutations in the gene to be bypassed, thereby repairing this code and enabling production of a truncated, yet functional version of the target protein. In non-human primate, or NHP, studies, PGN-EDO51 at a dose of 30 mg/kg achieved over 70% exon 51 skipping in skeletal muscle, including diaphragm. Based on a head-to-head comparison with the most clinically-advanced peptide-conjugated oligonucleotide therapeutic, and on cross-trial comparisons with publicly-available data for other preclinical approaches, we believe this to be the highest rate of exon 51 skipping reported for any approved therapeutic or known development candidate at tolerable dose levels. Following the review of our preclinical dataset by Health Canada and subsequent authorization of our Clinical Trial Application, or CTA, we initiated a Phase 1 clinical trial of PGN-EDO51 in healthy normal volunteers, or HNV, and anticipate receiving topline data from this trial by the end of 2022. We are also developing PGN-EDODM1 for the treatment of myotonic dystrophy type 1, or DM1, for which we anticipate submitting an investigational new drug, or IND, in the first half of 2023, and PGN-EDO53 for the treatment of DMD patients whose mutations are amenable to an exon 53-skipping therapeutic approach, for which we anticipate reporting exon skipping data in NHPs in the second half of 2022. Alongside these therapeutic candidates, we have initiated research efforts on EDO therapeutics for further DMD exon skipping populations, including exon 45- and exon 44-skipping amenable patients, and for additional indications, including neuromuscular diseases and neurologic disorders. We anticipate advancing additional programs into CTA and IND-enabling studies in 2024.

The advent of oligonucleotide therapeutics represented a major advance in the history of the biopharmaceutical industry. Oligonucleotide therapeutics are a nucleic acid-based genetic medicine modality that are designed to target the root cause of many diseases through the modulation of RNA expression and processing. These therapeutics have demonstrated clinical benefit and been approved for the treatment of multiple diseases. The approved drugs within this category include antisense oligonucleotides, or ASOs, which are short, synthetic, single-stranded oligonucleotides designed to inhibit or modify expression of protein and RNA.

However, despite the considerable potential of oligonucleotides as a therapeutic class, the challenges associated with their delivery has limited the development of these therapies in certain disease areas. On their own, oligonucleotides therapeutics are not readily distributed to heart and skeletal muscle, the key tissues affected in neuromuscular diseases, and are not efficiently taken up into these cells.

Our EDO Platform

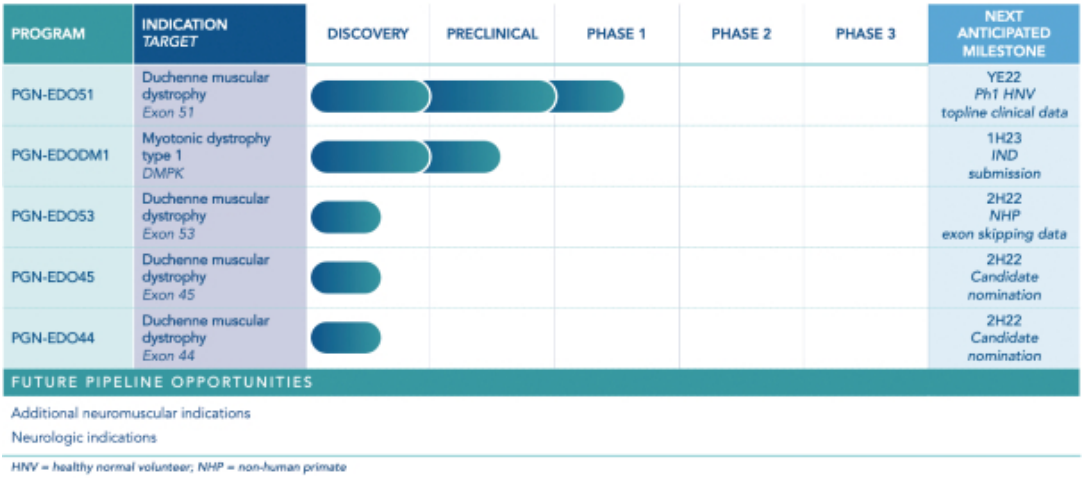
To address this challenge, we engineered our proprietary EDO technology to optimize tissue penetration, cellular uptake and nuclear delivery, which we believe may enhance the therapeutic activity of oligonucleotides and improve the tolerability of these genetic medicines. Our platform is based on novel cell-penetrating EDO peptides that were developed through an iterative process which selected simultaneously for high cellular uptake, biodistribution to key muscle targets, including cardiac tissue, and improved tolerability. We utilize phosphorodiamidate morpholino oligomers, or PMOs, a type of ASO chemistry that confers enhanced stability, in our approach, and these therapeutic cargos are conjugated to one of our optimized, proprietary, novel EDO peptides to generate our lead EDO product candidates. We are continuing to build and develop this platform technology as we expand into new therapeutic areas.

Using this novel, proprietary platform, we are developing a broad pipeline of disease-modifying EDO candidates to treat a variety of degenerative neuromuscular and neurologic diseases. Our platform is designed to offer the following advantages compared to existing oligonucleotide approaches:

- Enhanced delivery to skeletal muscle, including diaphragm, cardiac muscle and the CNS.
- Improved activity, which we have observed in NHPs with the greatest exon 51 skipping potency at tolerable target dose levels compared to any approved therapeutic or known developmental candidate.
- An enhanced balance between activity and tolerability, which is designed to afford our product candidates a wider therapeutic index.
- Robust, scalable and cost-efficient manufacturing that does not require cell-based processes.
- Accelerated and efficient pipeline development of therapeutic candidates enabled by use of the same EDO peptide across all our initial programs.

Our Portfolio

We are harnessing the power of our EDO platform to generate a pipeline of oligonucleotide therapeutic candidates. Our EDO conjugates have been engineered to successfully target the root cause of serious diseases and to exhibit a favorable tolerability profile. We are initially focused on addressing neuromuscular indications and are building a portfolio of therapeutic candidates to address the underlying genetic mutations found in DMD and DM1, with our current pipeline being comprised of five programs. We anticipate expanding this pipeline to include other neuromuscular targets as well as opportunities in neurologic indications and intend to leverage the modular, scalable nature of our EDO technology to support our rapid expansion into these new therapeutic areas. Our lead product candidates, PGN-EDO51 and PGN-EDODM1, target a large potential market opportunity, with approximately 135,000 DMD exon 51 and DM1 patients across the United States, Europe and Japan, and we own worldwide development and commercialization rights to all our programs.



PGN-EDO51

Our lead product candidate is PGN-EDO51, an EDO peptide conjugated to a PMO therapeutic cargo, which we are developing for the treatment of DMD patients with mutations amenable to an exon 51-skipping approach. DMD is a debilitating X-linked recessive muscle-wasting disease that predominantly affects boys, and arises due to the presence of mutations in the gene encoding dystrophin, a protein necessary for normal muscle function. It is one of the most prevalent rare genetic diseases globally, with up to 15,000 DMD patients in the United States, approximately 25,000 DMD patients in Europe and 5,000 in Japan. It is thought that 13% of patients with DMD have mutations that are amenable to treatment with an exon 51-skipping therapeutic approach, and thus the estimated exon 51 patient population is approximately 2,000 in the United States, 3,200 in Europe and 700 in Japan. DMD patients typically succumb to cardiac and respiratory failure in their late teens or early twenties. There is no cure for DMD and there are no treatments that have clinically demonstrated a meaningful impact on disease progression.

PGN-EDO51 is designed to splice out exon 51 of the dystrophin pre-mRNA, resulting in the restoration of the open reading frame of the dystrophin transcript and the production of a shortened, yet functional dystrophin protein. In wild-type NHP studies, at tolerable doses, we have observed the most potent exon 51 skipping based on a cross-trial comparisons with publicly-available data for any approved therapeutic or known developmental candidate across target tissues, including the heart and diaphragm. These cross-trial comparisons were conducted with data published by Sarepta Therapeutics for EXONDYS 51® (eteplirsen), and by Dyne Therapeutics for DYN-251. In addition, in our head-to-head NHP studies, we observed that PGN-EDO51 had greater activity than R_6G-PMO, which we believe is structurally equivalent to Sarepta's SRP-5051, the most clinically advanced peptide-ASO conjugate. At a dose of 10 mg/kg, PGN-EDO51 exhibited approximately as much exon skipping activity as a 3-fold higher dose, i.e., 30 mg/kg, of R_6G-PMO. Our preclinical work also indicated that PGN-EDO51 was generally well-tolerated at target dose levels. Following the review of our preclinical dataset by Health Canada and their its authorization of our CTA, we initiated a Phase 1 clinical trial of PGN-EDO51 in the second quarter of 2022, and anticipate delivering topline data from this trial by the end of 2022.

PGN-EDODM1

We are developing PGN-EDODM1, an EDO peptide-conjugated PMO, for the treatment of DM1. DM1 is a monogenic, autosomal dominant, progressive disorder that primarily affects skeletal, cardiac and smooth muscles as well as the CNS, resulting in significant physical, cognitive and behavioral impairments and disability. The burden of disease is significant, and many patients have a shortened lifespan. DM1 is caused by an abnormal trinucleotide repeat expansion in a region of the *DMPK* gene and is estimated to affect approximately

40,000 patients in the United States, 75,000 patients in Europe and 15,000 patients in Japan. There are currently no approved therapies for the treatment of DM1.

PGN-EDODM1 leverages the same EDO peptide as PGN-EDO51 to deliver a PMO into muscle cells that binds to the cytosine-uracil-guanine, or CUG, trinucleotide repeat expansion present in the *DMPK* mRNA, thus reducing the ability of these trinucleotide repeats to sequester MBNL1, a critical RNA processing protein. This steric blocking approach – which is not designed to knock down *DPMK* – directly addresses the underlying genetic defect of this disease, and in DM1 patient cells we observed that treatment with PGN-EDODM1 led to the robust correction of multiple downstream mis-spliced transcripts and a reduction in toxic nuclear foci. Furthermore, we observed in our *in vivo* preclinical studies that a single dose of PGN-EDODM1 corrected the molecular and functional phenotypes presented in the human skeletal actin – long repeat, or HSA^{LR}, mouse model of disease, reducing myotonia and normalizing mobility. We also observed that the molecular correction effected by PGN-EDODM1 in this preclinical mouse model exhibited a durability of effect that was in excess of six months. The ability of the EDO conjugate to cross the blood-brain barrier may also enable PGN-EDODM1 to address the CNS phenotypes that are evident in DM1 patients. We anticipate submitting an IND in the first half of 2023 to initiate a Phase 1/2 clinical trial of PGN-EDODM1 in DM1 patients.

PGN-EDO53

Our second EDO therapeutic candidate for the treatment of DMD, and third product candidate, PGN-EDO53, is an EDO peptide-conjugated PMO designed to skip exon 53 of the dystrophin transcript. It is estimated that 8% of DMD patients have mutations that would be amenable to treatments with an exon 53-skipping approach. PGN-EDO53 will utilize the same EDO cell penetrating peptide as our exon 51-skipping product candidate, PGN-EDO51, which we believe will allow us to leverage our drug development experience in this indication to rapidly drive our exon 53-skipping product candidate to the clinic. We are currently conducting an *in vitro* screen of candidate oligonucleotide sequences, and we anticipate that we will report exon skipping results from an NHP study in the second half of 2022.

Additional Discovery Programs

We have active discovery programs focused on expanding our pipeline in DMD and other neuromuscular diseases. We are screening oligonucleotides for the treatment of DMD patient populations with mutations that are amenable to exon skipping approaches other than exon 51 and exon 53. Our initial discovery work is focused on selection of oligonucleotides for exon 45 and exon 44 skipping, and we have commenced synthesis activities to support an *in vitro* screen in patient cells. We anticipate nominating candidates for our PGN-EDO45 and PGN-EDO44 programs in the second half of 2022.

Expanding the Applications and Scope of Our EDO Platform

New indications with PMO therapeutics

We intend to leverage our deep understanding of our EDO platform and oligonucleotide therapeutic candidates to develop additional product candidates for other indications. We believe the ability to deliver exon skipping therapeutics to muscle cells, including cardiac muscle cells, as well as the CNS is largely independent of the exact sequence of the PMO. As such, by leveraging our preclinical data and the plug-and-play nature of our EDO platform, and by investigating other routes of administration, including intrathecal, we believe that we are well positioned to develop additional product candidates with the potential to drive clinically relevant therapeutic outcomes in other neuromuscular diseases as well as neurologic indications.

New cargos

We believe that our EDO technology has the potential to facilitate the delivery of multiple classes of oligonucleotide therapeutics. To date, our efforts have primarily focused on the delivery of PMOs, but we are also actively pursuing the expansion of our cargo scope to other nucleic acid species.

New peptide technologies

We intend to further establish our expertise and competitive position in the field of oligonucleotide delivery through the ongoing research and development of new cell penetrating peptides. We will leverage our extensive experience in this field to design new peptides that target specific tissue types, and will seek to further optimize the tissue, cellular and nuclear delivery of our EDO platform technology.

Our Culture and Team

Our mission is to deliver transformative therapeutics to those in need, and we believe our innovative technology is well-positioned to effect this change for patients, families and the broader healthcare community. As a company, we value:

- **Research:** We are a data-driven scientific company at heart, and we approach our work with an evidence-based mindset;
- **Innovation:** We are always exploring new ways to learn, build and improve across all facets of our company;
- **Integrity:** We act ethically and honestly in both our scientific and business conduct; and
- **Responsibility:** As a therapeutic company, we appreciate the impact our work has on patients and their families.

In support of our mission, we have assembled a leadership team with deep experience in research and development, clinical translation, regulatory affairs and corporate development. Our Chief Executive Officer, James McArthur, Ph.D., brings over 25 years of industry experience to the company, including senior leadership and Board roles at Imara, Cydan and Nightstar Therapeutics, with a specific focus on rare disease therapeutics. Dr McArthur is ably supported by Noel Donnelly, our Chief Financial Officer, who has over 25 years of experience in financial planning and analysis, business analytics and portfolio management and has held roles at EIP Pharma, Takeda and Shire; Jaya Goyal, Ph.D., our Executive Vice President of Research and Preclinical Development, who has held roles at Wave Life Sciences and Biogen, and brings considerable experience in bioanalytical studies, biomarkers and pharmacology across a broad range of preclinical-, clinical- and commercial-stage programs; Michelle L. Mellion, M.D., our Senior Vice President, Clinical Development, who is double Board-certified in neurology and clinical neurophysiology and has held roles at Fulcrum, Vertex and Biogen; Niels Svenstrup, Ph.D., our Senior Vice President of Chemistry, Manufacturing and Control, who has extensive experience in the manufacturing and release of peptide drugs for late-stage clinical programs and has held roles at Ascendis Pharma, Cydan and Lundbeck, amongst others; and Sonia Bracegirdle, D.Phil, our Senior Vice President of Strategy and Operations, who has held roles at Syncona Limited, the Boston Consulting Group and McKinsey & Company, and was one of the founding members of the PepGen team. We have established a strong scientific advisory board, who bring a wealth of expertise from both the indication and therapeutic modality perspectives in their roles as academics, clinicians and drug development.

We were founded in 2018 with technology spun out from the University of Oxford and the Medical Research Council of United Kingdom Research and Innovation to further develop and commercialize this novel peptide delivery approach. This technology was created and refined over a decade by Michael Gait, Ph.D. and Professor Matthew Wood, M.D., Ph.D. We have exclusively licensed the patents, patent applications and know-how associated with this technology.

To date, we have raised $163.7 million in equity investment from a leading group of life sciences investors, including entities affiliated with RA Capital Management, Oxford Science Enterprises plc and KAVRA 16 LLC.

Our Strategy

Our goal is to become a leading biopharmaceutical company focused on the development and commercialization of oligonucleotide therapies to transform the lives of patients with severe neuromuscular and neurologic diseases. We aim to accomplish this goal by implementing the following strategies:

- **Advance our lead product candidate, PGN-EDO51, through clinical trials and regulatory approval**. We are developing PGN-EDO51 to treat individuals with DMD whose mutations are amenable to an exon 51-skipping therapeutic approach. There is no cure for DMD and there are no treatments that have demonstrated a significant impact on disease progression in the clinic. In wild-type NHP studies, we have observed robust levels of exon skipping and established that PGN-EDO51 had greater activity than R_6G-PMO at the same dose level. We believe that this comparator compound is structurally equivalent to Sarepta's SRP-5051, the most clinically advanced peptide-ASO conjugate. In our preclinical studies, we also observed that PGN-EDO51 was generally well-tolerated at target dose levels. Following the authorization of our CTA by Health Canada, we initiated a Phase 1 clinical trial of PGN-EDO51 in the second quarter of 2022, and anticipate receiving topline data from this trial by the end of 2022.

- **Advance PGN-EDODM1 through clinical trials and regulatory approval**. We are developing PGN-EDODM1 for the treatment of patients with DM1. In preclinical studies, we have observed that a single dose of PGN-EDODM1 restored aberrant splicing in a mouse model of DM1, completely restored the myotonic phenotype, improved mobility and showed correction of mis-splicing that was maintained for at least six months. We believe that PGN-EDODM1 has the potential to transform the treatment of DM1, and we anticipate submitting an IND for this product candidate in the first half of 2023. Furthermore, we believe that the successful development of PGN-EDODM1 would further validate the EDO platform and demonstrate its potential to generate therapeutic candidates in neuromuscular indications beyond DMD.

- **Expand our pipeline of oligonucleotide therapeutic candidates for the treatment of additional DMD patient populations.** We aim to expand our portfolio by pursuing additional programs where our EDO technology could improve clinical activity relative to current therapeutic approaches. For example, approximately one third of the mutations that cause DMD could be treated by exon-skipping therapeutics directed against exon 51, 53, 45 and 44. We are employing the same EDO technology used in PGN-EDO51 and PGN-EDODM1 to generate our next exon-skipping therapeutic candidate, PGN-EDO53, for the treatment of individuals with DMD whose mutations are amenable to an exon 53-skipping approach. We anticipate that we will report exon skipping results for PGN-EDO53 from a NHP study in the second half of 2022. In addition, we are screening oligonucleotides for the treatment of other DMD patient populations, with initial discovery work focused on selection of oligonucleotides for exon 45 and exon 44 skipping. We anticipate nominating candidates for our PGN-EDO45 and PGN-EDO44 programs in the second half of 2022.

- **Leverage the full potential of our EDO technology to expand into other neuromuscular, neurological and cardiac disease areas.** We have observed that our EDO technology has the potential to efficiently deliver nucleic acid payloads such as ASOs to muscle cells, including cardiac muscle cells, and into key regions of the brain in NHP. We are looking to develop disease-modifying peptide-conjugated oligonucleotide candidates for the potential treatment of a variety of other neuromuscular and neurological indications and will assess alternative routes of administration, including intrathecal, as part of this process.

- **Utilize the modular nature of our EDO platform to evaluate new cargos and peptide technologies**. We continue to optimize our EDO technology to increase our ability to drive the biodistribution of our conjugates to desired target tissues in the body. For example, we have

undertaken a program of work to further increase EDO delivery to the CNS. To accomplish this, we have built and continue to build our peptide chemistry and biology groups to further explore the structure-activity relationship of our existing EDO platform and to develop new delivery peptides. These next-generation peptides may allow us to develop disease-modifying therapeutic candidates for an expanded range of target indications. Furthermore, we believe that our EDO technology has the potential to facilitate the delivery of multiple classes of nucleic acid payloads, including other oligonucleotide therapeutics, and we will thus seek to expand the scope of the cargos that can be delivered our EDO platform as part of our ongoing platform development work.

- **Maximize the value of our pipeline and our EDO platform by selectively exploring strategic collaborations**. We have a disciplined strategy to maximize the value of our pipeline and currently have worldwide development and commercial rights to all of our product candidates. Given the potential of our EDO platform, we may opportunistically enter into strategic collaborations around certain geographies, targets or programs. We may seek to build such relationships where we believe the resources and expertise of a third-party pharmaceutical or biotechnology company could be beneficial to the development or commercialization of our product candidates, advance our programs to maximize their market potential or expand our platform capabilities.

Our EDO Platform

Overview

Our proprietary EDO platform is based on a novel, unique class of cell-penetrating peptides, or CPPs, designed to meaningfully enhance the tissue penetration, cellular uptake and nuclear delivery of oligonucleotide therapeutics. Our technology is founded on over a decade of research and development that focused on improving the therapeutic utility of CPPs, resulting in a library of EDO peptides that mitigate the tolerability challenges observed with earlier cell-penetrating peptides. Using these EDO peptides, we are generating a pipeline of peptide-conjugated oligonucleotide therapeutic candidates that are engineered to successfully target the root cause of serious diseases and to exhibit a favorable tolerability profile. We have observed from product candidates that leverage our EDO delivery platform robust exon-skipping activity and tolerability in NHP models. Furthermore, we have observed in preclinical settings that our product candidates exhibited superior skeletal and cardiac muscle penetrance to other peptide- and antigen binding fragment-conjugated approaches in development for the treatment of DMD patients amenable to an exon 51-skipping approach, thus allowing critical disease phenotypes to be addressed in neuromuscular indications like DMD and DM1. These comparisons were conducted both across different trials with publicly-available information, and with data obtained from head-to-head studies. Our peptides also enable delivery of oligonucleotides across the blood-brain barrier, a characteristic which could support the future development of EDO therapeutics for neurologic indications.

The Therapeutic Potential of Oligonucleotides

The central dogma of biology—the transcription of DNA into RNA, and the subsequent translation of RNA into proteins—describes the flow of genetic information within the cell. DNA plays a critical, fundamental role in all biological processes, and while there exists considerable variation in the genetic code across the human population, certain alterations, or mutations, in an individual's DNA sequence can lead to deleterious outcomes and disease pathologies. A genetic disease can be caused by a mutation in a single gene, known as a monogenic disorder, or by mutations in multiple genes, known as a multifactorial inheritance disorder. The term 'genetic medicine' encompasses disease-modifying therapeutic agents that are designed to alter and correct genetic mutations at the DNA or RNA level. These therapeutic agents can be divided into four categories – viral vector gene therapies, DNA/RNA editing approaches, small molecules and oligonucleotide therapeutics. Significant progress has been made in the field of genetic medicine over the last decade, and a number of genetic medicines have been approved or are in clinical development.

Oligonucleotide therapeutics are a nucleic acid-based genetic medicine modality that are designed to target the root cause of many diseases through the modulation of RNA expression and processing. The mechanisms of action of these medicines include interference with gene expression; degradation of toxic RNA species; alteration of gene translation; interference with interactions between RNA and other nucleic acids or proteins; endogenous human adenosine deaminase acting on RNA, or ADAR; site-directed RNA editing; and modulation of the splicing of genes, and each of these approaches can lead to profound biological effects.

The advent of oligonucleotide therapeutics represented a major advance in the history of the biopharmaceutical industry. Oligonucleotide therapeutics consist of strings of nucleotides, the building blocks of RNA and DNA, and mimic the structures of active nucleic acids in the body to reproduce or expand upon the typical activities of these species. The development of oligonucleotide therapeutics has increased the arsenal of potential therapeutic modalities and has enabled the targeting of a diverse set of diseases that have proven difficult to treat through other approaches. These therapeutic candidates are built around the sequences of their target RNA/DNA molecules, which offers them a high degree of specificity and affords them the ability to target pathogenic mutations and processes that cannot easily be addressed by conventional drugs. Oligonucleotide therapeutics have demonstrated clinical benefit and been approved for the treatment of multiple diseases, such as spinal muscular atrophy, familial hypercholesterolemia and hereditary transthyretin-mediated amyloidosis. These approved drugs span two classes – ASOs, which are short, synthetic, single-stranded oligonucleotides, and small interfering RNAs, or siRNAs, which are double-stranded oligonucleotides. ASOs and siRNAs both bind their target mRNAs or pre-mRNAs via complementary Watson-Crick base pairing, but differ in their respective modes of action. ASOs are designed to either (i) degrade target RNA species through an RNAse-H-mediated process, or (ii) modulate RNA-RNA and/or RNA-protein interactions through a steric blocking mechanism. In contrast, siRNAs are designed to silence a particular mRNA through the RNA interference, or RNAi, pathway. Across approved oligonucleotide therapeutics, in 2020, approximately $3.2 billion in sales were generated.

Therapeutic oligonucleotides are typically synthetic molecules that may contain modified nucleotide bases, sugars and phosphate linkages designed to overcome the historical limitations of unmodified oligonucleotides, including instability, immunogenicity and a poor pharmacological profile. Many approved oligonucleotides incorporate a modified oligonucleotide backbone in which the phosphate and ribose sugars are replaced by phosphorodiamidate morpholino groups. The resulting oligonucleotides – PMOs – are resistant to multiple hydrolases in serum, while their uncharged nature ensures that they do not interact strongly with proteins in a nonspecific way. PMOs have shown promising results in early-stage preclinical studies and have reached the clinic in a number of indications, including DMD. Sarepta's marketed drug EXONDYS 51® (eteplirsen) is a PMO that was approved in 2016 but has left much room for improvement given its relatively low tissue and cell penetration and minimal induction of dystrophin production. Despite these challenges, EXONDYS 51® generated approximately $454 million in sales in the United States and Israel in 2021.

The Challenge of Oligonucleotide Delivery

In order for oligonucleotide therapeutics to exert their intended effect, they must first gain access to the intracellular space where RNA processing and translation occurs. Historically, the delivery of oligonucleotides to the interior of the cell proved challenging due to their high molecular weight and the lack of a specific mechanism to facilitate their transport across the cell membrane and into the cytoplasm and nucleus. Several methods have been developed to increase the cellular uptake of oligonucleotides, the most clinically advanced of which is the covalent attachment of cell-penetrating peptides, or CPPs. CPPs are designed to facilitate the transport of oligonucleotides across the plasma membrane, thus allowing these cargo species to reach their intracellular site of action. We believe that these capabilities are critical in enabling oligonucleotides to exert their intended therapeutic effect within the cell. Early research into CPPs showed that simple peptides consisting primarily of multiple arginine residues could increase the cellular uptake of oligonucleotides and increase their activity in modulating RNA splicing. However, a considerable number of these early CPPs were found to be highly toxic in animal models, and in many instances there existed a direct correlation between toxicity and activity, which limited the clinical translation and development of these first-generation delivery vectors.

Our Approach: A Solution for the Oligonucleotide Delivery Challenge

We engineered our proprietary EDO technology to optimize tissue penetration, cellular uptake and nuclear delivery, which we believe may enhance the therapeutic activity and improve the tolerability of oligonucleotide therapeutics. Our platform is based on novel cell-penetrating peptide technology, and our delivery vectors possess four key structural characteristics:

- Two positively charged, arginine-rich regions, one at the N-terminus and the other at the C-terminus;
- The interspersion of a specifically selected non-natural amino acid within the arginine-rich regions – these residues provide stability in the physiological environment, and confer other beneficial properties;
- A central core rich in hydrophobic residues that separates the arginine-rich regions and plays a critical role in tissue and cell uptake;
- A proprietary linker that plays a key role in modulating the therapeutic index of the resulting EDO conjugate.

Our EDO peptides were developed through an iterative optimization process that selected simultaneously for biodistribution to key muscle targets, including cardiac tissue; high cellular uptake; endosomal escape, where the therapeutic agent is released from the endosome sub-cellular compartment in a functional form; delivery to the cell nucleus; and reduced toxicity. We utilize PMOs in our approach, and these therapeutic cargos are conjugated to one of our optimized, proprietary, novel EDO peptides to generate our lead EDO product candidates. We are continuing to build and develop this platform technology as we expand into new therapeutic areas.

We optimized EDOs for properties that we believe are essential for therapeutics.

Advantages of Our Approach

Using our novel EDO platform, we are developing a broad pipeline of disease-modifying peptide-conjugated oligonucleotide candidates to treat a variety of degenerative neuromuscular diseases. We believe that our therapeutic candidates may offer the following advantages with the goal of enabling the safe and efficient delivery of oligonucleotide cargos:

- **Enhanced delivery to skeletal muscle, including diaphragm, cardiac muscle and the CNS:** We have shown in preclinical studies that our peptides delivered their cargo oligonucleotide

therapeutics to key neuromuscular tissues, allowing us to address multiple disease pathologies in multi-systemic indications such as DMD and DM1. Furthermore, we believe our EDO peptides support the ability to promote endosomal escape and facilitate the robust delivery of cargo oligonucleotides to the cell nucleus. This differentiating feature of our EDO platform has been observed in mice and NHPs across multiple tissue types, including those critical to neuromuscular indications – skeletal, smooth and cardiac muscle. The ability of our EDO peptide to deliver oligonucleotides to the CNS could potentially address neurological phenotypes in these diseases as well.

- **Improved activity, which we have observed in NHPs, with the most potent exon 51 skipping observed at tolerable doses compared to any approved therapeutic or known developmental candidate:** Our EDO platform exhibited consistently robust activity and acceptable tolerability in preclinical testing of NHPs under both single and repeat dosing regimens. For example, in NHP studies, a dose of 30 mg/kg of PGN-EDO51 achieved over 70% exon 51 skipping in skeletal muscle, including diaphragm, which we believe is the highest rate of exon 51 skipping reported for any approved therapeutic or known development candidate.

- **An enhanced balance between activity and tolerability, which is designed to afford our platform a wider therapeutic index:** Our delivery peptides have been specifically engineered to achieve a wide therapeutic index, and we have observed robust activity and an improved tolerability profile in NHPs when compared to previous CPPs. This characteristic is a clear step-change over the narrow therapeutic index observed for previous generations of cell-penetrating peptides.

- **Robust, scalable and cost-efficient manufacturing that does not require cell-based processes:** We have developed a modular manufacturing process that is highly scalable, easily characterizable, and utilizes readily-available building blocks. This process is fully synthetic in nature and does not rely on microbial fermentation, thus substantially reducing the risk of introducing microbial DNA or protein into our product candidates.

- **Accelerated and efficient development of pipeline therapeutic candidates enabled by use of a single EDO peptide across all our initial programs:** We currently utilize the same EDO delivery peptide across all our programs, and we envisage that many of our future pipeline opportunities will also leverage our extensive experience with this CPP. We intend to apply our knowledge and learnings from our current lead programs in order to efficiently pursue our future programs, and we will additionally aim to take advantage of economies of scale in our manufacturing processes.

Foundation of Our EDO Platform

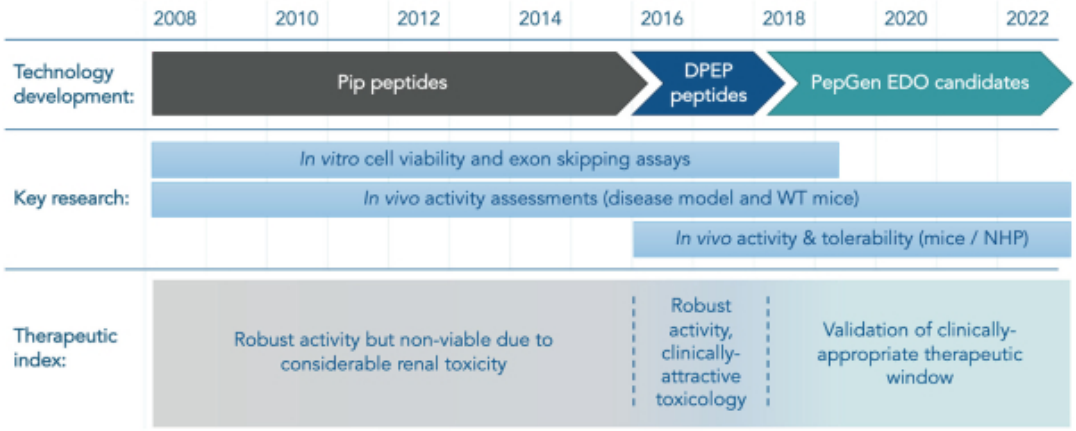
A platform built on intelligent design principles and a decade of science

Our EDO peptide platform is the result of over a decade of research conducted in the academic laboratories of our founders Michael Gait, Ph.D. at the Medical Research Council Laboratory of Molecular Biology in Cambridge, UK, and Professor Matthew Wood, M.D., Ph.D. at the University of Oxford. Their pioneering work brought significant advances in CPP technology, moving the field beyond a heavy reliance on arginine residues to drive cellular uptake of oligonucleotide cargos. Together, Gait and Wood developed a new generation of CPPs focused on oligonucleotide delivery, and optimized these peptides for tissue penetration, cellular uptake and nuclear delivery, along with improved tolerability in animal models.

The first generation of Gait and Wood cell-penetrating peptides were termed the ‘Pip’ series. As part of the ongoing collaboration between these two academic groups, a range of Pip-PMO conjugates were screened for their activity both *in vitro* and in the well-established *mdx* mouse model of Duchenne muscular dystrophy. While the Pips exhibited robust activity in preclinical models, they were ultimately determined to be non-viable as

therapeutic candidates due to their considerable renal toxicity. However, this early work did provide considerable insight into the structure-activity relationship of this class of molecules.

The poor tolerability profile of the Pips and other early cell-penetrating peptides established a clear need for a step-change in this field. Through an intelligent design process, multiple families of 'DPEP' peptides were created to address the limitations associated with previous generations of CPP technology. These novel, unique peptides have overcome the tolerability issues of their predecessors and yet retain the considerable activity of the Pip peptides – a profile that we believe renders the DPEPs well-positioned for therapeutic development. The DPEP peptides underpin our EDO platform, and it is from this portfolio that we have selected and validated the EDO peptide that drives the therapeutic potential of our clinical leads.

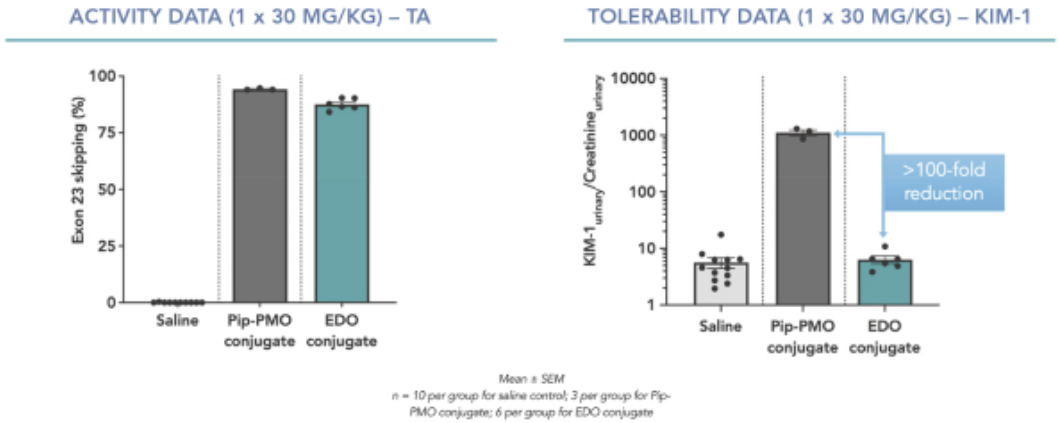


Our EDO technology was developed over more than a decade of research into CPPs.

Comparison with Precursor Technologies

In mouse models, we have observed that our delivery peptides retain the robust activity of previous generations of high arginine content CPPs, and yet possess an improved tolerability profile that we believe increases their likelihood of successful clinical translation. During our extensive preclinical assessments of these novel peptides in murine and NHP models, we have succeeded in efficiently delivering nucleic acid payloads to their targets, and have achieved meaningful levels of activity without the dose-limiting toxicities that have traditionally been associated with other peptides in this class of intracellular delivery agents.

In order to demonstrate that our EDO platform possesses an improved therapeutic index over precursor CPPs – in this instance the 'Pip' peptides previously developed by Gait and Wood – we assessed the exon skipping efficiency and tolerability of a number of CPP-PMO conjugates in wild-type mice by utilizing the well-established ASO sequence that skips exon 23 of the murine dystrophin mRNA. As seen in the figure below, we observed in this study that the EDO conjugates retained the high levels of activity seen with the Pip conjugates – over 75% exon skipping was observed in the tibialis anterior, or TA, when measured by RT-PCR following a single dose of 30 mg/kg – while the post-administration urinary levels of Kidney Injury Molecule-1, or KIM-1, a marker of renal toxicity, were reduced by a factor of over 100. Thus, we believe that our EDO technology has potential to display a wider therapeutic index than these precursor CPPs, which we believe supports the further development and clinical translation of our product candidates and platform.



Our EDO technology has a wider therapeutic index than precursor CPP-PMOs.

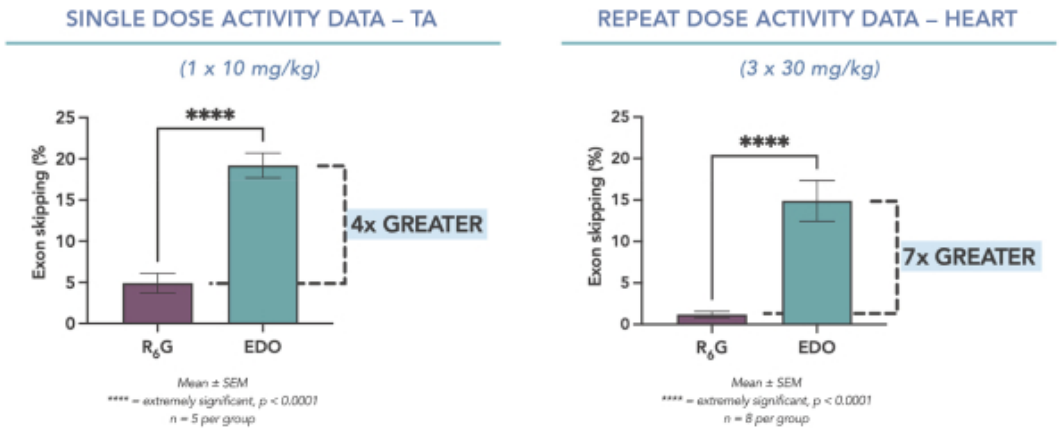
We believe that this finding represents a true step-change in the CPP field. While traditional CPPs traded activity for tolerability, often because they contained a high absolute number and concentration of arginine residues, our novel delivery peptides are designed to decouple this relationship. We believe the unique structural characteristics of the EDO peptides allow this class of CPPs to retain impressive cell penetration and oligonucleotide delivery while mitigating the unacceptable toxicities seen with earlier generations of CPPs, including the Pips. We seek to leverage these characteristics with the goal of developing a safe and effective portfolio of EDO therapeutics.

Comparison with Other Oligonucleotide Delivery Technologies in Development

Other CPP-PMO approaches

There are a number of other peptide-mediated approaches that are currently being developed for the delivery of oligonucleotide therapeutics. Of these, we have, through an extensive review of publicly available presentations and patent applications, hypothesized that the most clinically advanced peptide-based delivery approach for oligonucleotides leverages the cell-penetrating properties of a hexa-arginine sequence with an additional glycine residue. We refer to this CPP as R_6G herein, and have conducted extensive head-to-head preclinical studies to compare the biodistribution and activity of our model of this moiety with our novel EDO peptides.

We have observed robust *in vivo* activity of our EDO technology in a number of animal models, with this activity being significantly higher when compared to our model of the competing R_6G approach. In a head-to-head preclinical study conducted in wild-type mice using the established exon 23-skipping agent, a single 10 mg/kg intravenous dose of our EDO conjugate resulted in exon skipping levels in the TA that were four-fold higher than those induced by the R_6G conjugate at the same dose when measured by RT-PCR seven days after dosing. In a repeat-dose preclinical study, three 30 mg/kg intravenous doses of our EDO conjugate every two weeks resulted in exon skipping levels in the heart that were seven-fold higher than those of the R_6G conjugate, also dosed three times at 30 mg/kg, when measured by RT-PCR seven days after the last dose. We believe the higher level of exon skipping achieved in this study supports the ability of our EDO technology to successfully deliver oligonucleotides to cardiac tissue, which in turn provides us with an opportunity to address the primary cause of death in DMD patients.



In preclinical studies, single and multiple doses of our EDO conjugate led to increased exon skipping compared to the R_6G conjugate.

Antibody-oligonucleotide approaches

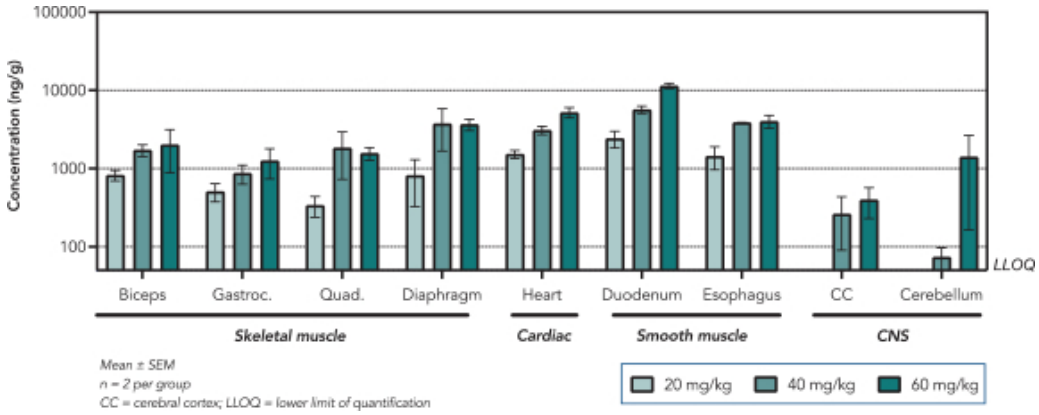
In addition to the CPP-PMO approaches described above, a number of groups are developing antibody-oligonucleotide conjugates with the aim of enhancing the delivery and activity of their cargo therapeutics. These groups utilize both antigen-binding fragments, or Fabs, and monoclonal antibodies, or mAbs, as delivery vectors, to target specific cell surface receptors. We believe our EDO platform offers significant potential benefits over such approaches, including:

- More efficient tissue penetration due to the small size of our EDO delivery peptides relative to an antibody or antibody fragment;
- The ability to deliver across the blood-brain barrier to the CNS;
- Limited immunogenicity or risk of complement activation due to the considerably lower protein load associated with our EDO peptides; and
- A scalable, facile, fully-synthetic manufacturing process with no cell-based steps that is supported by a readily-characterizable drug product.

We believe these benefits support the further development and clinical translation of our suite of EDO product candidates and underpin our robust competitive position in the neuromuscular and neurologic disease space.

Improved Biodistribution of the EDO platform

In addition to advantages over precursor CPPs and other delivery technologies in development, based on our observation in NHPs, we believe our EDO platform has the potential to achieve robust delivery of cargo therapeutics to a very broad range of target tissues. Following a single intravenous dose of PGN-EDO51 in NHPs, quantifiable levels of PMO were observed in muscle tissues throughout the body one week after administration, including in cardiac muscle, as well as in brain tissues such as cerebral cortex and cerebellum. We believe this broad biodistribution highlights the potential of our technology to deliver to critical yet difficult-to-reach tissue types like cardiac muscle, and robustly positions our EDO platform in the treatment of diseases with multi-systemic pathologies, like DMD and DM1.

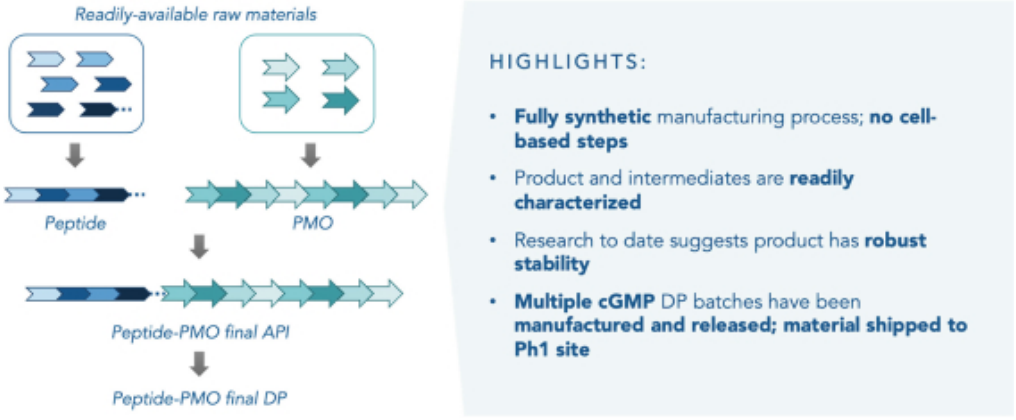


A single administration of PGN-EDO51 in NHPs led to tissue exposure of the cargo PMO therapeutic in muscle and brain tissue one week after dosing.

Furthermore, we are particularly excited by the potential of this technology to deliver therapeutic agents to the CNS with intravenous dosing. While the levels of the cargo PMO in the cerebral cortex and cerebellum are lower than for the other tissue types investigated, this biodistribution study provides robust evidence to suggest that our peptides are capable of delivering conjugated cargo moieties across the blood-brain barrier, a characteristic which may in turn allow us to address the CNS phenotypes that are evident in DM1 patients. In addition, we believe that this result supports the future development of EDO therapeutics for neurologic indications, and work is ongoing to further understand the ability of our EDO platform technology to deliver cargos to various regions of the brain and CNS via both intravenous administration and other routes, including intrathecal dosing.

Scalable Manufacturing Process

Our manufacturing process is modular in nature – the peptide and oligonucleotide components are assembled using readily available building blocks, and are subsequently conjugated using well-established methodologies. This process is fully synthetic and does not rely on microbial fermentation, thus substantially reducing the risk of introducing microbial DNA or protein into our product candidates. Furthermore, our manufacturing process is highly scalable and easily characterizable – attributes that we will seek to leverage to support the rapid development and clinical translation of our EDO conjugate therapeutics. We have produced, manufactured and released multiple cGMP batches, and have successfully delivered PGN-EDO51 to our Phase 1 site for use in our ongoing clinical trial.



We have developed a robust manufacturing process for our EDO product candidates.

Accelerated and Efficient Pipeline Development

Our initial preclinical programs leverage the same EDO peptide to enhance the delivery and cellular and nuclear uptake of oligonucleotide therapeutic candidates. We intend to apply our deep understanding of the EDO platform and current preclinical programs to support the rapid development of additional product candidates for other neuromuscular and neurologic indications. We believe that the ability of our EDO peptides to deliver exon skipping therapeutics to muscle cells, including cardiac muscle cells, is largely independent of the exact sequence of the ASO. Therefore, by leveraging our existing preclinical data and the plug-and-play nature of our EDO platform, we believe that we are well-positioned to rapidly develop additional product candidates with the potential to drive clinically relevant therapeutic outcomes across a wide variety of tissue types. We have observed the validity of this approach with one of our product candidates by moving from concept to NHP study initiation in less than a year.

Our Portfolio: An Initial Focus on Neuromuscular Diseases

We are harnessing the power of our EDO platform to generate a pipeline of oligonucleotide therapeutic candidates. Our EDO conjugates have been engineered to successfully target the root cause of serious diseases while maintaining a tolerability profile that is acceptable for clinical use. We are initially focused on addressing neuromuscular indications and are building a portfolio of therapeutic candidates to address the underlying genetic mutations found in DMD and DM1, with our current pipeline being comprised of five programs.

We anticipate expanding this pipeline to include other neuromuscular targets, along with opportunities in neurologic indications, and we will seek to leverage the modular, scalable nature of our EDO technology to support our rapid expansion into these new therapeutic areas. We have worldwide development and commercialization rights to all our programs.

PGN-EDO51

Overview

Our initial product candidate is PGN-EDO51, an EDO peptide conjugated to a PMO, that we are developing for the treatment of DMD patients with mutations amenable to an exon 51-skipping approach. PGN-EDO51 is designed to splice out exon 51 of the dystrophin pre-mRNA, resulting in the restoration of the open reading frame of the dystrophin transcript and production of an internally deleted, yet functional dystrophin protein. In head-to-head studies conducted in wild-type NHPs, we have observed robust levels of exon skipping, and found that PGN-EDO51 had greater activity than R_6G-PMO at the same dose level. We believe that this comparator compound is structurally equivalent to Sarepta's SRP-5051, the most clinically advanced peptide-ASO conjugate. In addition, in preclinical testing, PGN-EDO51 was generally well-tolerated at target dose levels. Following the review of our preclinical dataset by Health Canada and subsequent authorization of our CTA, we initiated a Phase 1 clinical trial of PGN-EDO51 in the second quarter of 2022, and anticipate receiving topline data from this trial by the end of 2022.

Disease background and prevalence

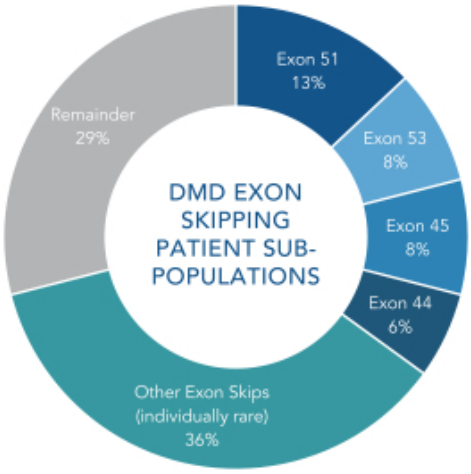
DMD is a debilitating X-linked recessive muscle-wasting disease that predominantly affects boys. It is one of the most prevalent rare genetic diseases globally, with an incidence of up to 1 in 3,500 live male births, and it is invariably fatal by young adulthood. There are up to 15,000 DMD patients in the United States, approximately 25,000 DMD patients in Europe and approximately 5,000 in Japan.

Early symptoms of disease include difficulty walking or jumping, loss of balance, and increased fatigue when compared to healthy peers. By their mid-teenage years, most DMD patients will need to use a wheelchair on a regular basis. As the disease progresses, life-threatening heart and respiratory conditions become common. Dilated cardiomyopathy – a condition where the cardiac muscle becomes weakened and the chambers of the heart are enlarged – often arises, and heart failure is a leading cause of death in DMD patients. Pulmonary function also becomes progressively impaired as the dystrophic process affects respiratory muscles, including the diaphragm, leading to significant morbidity and mortality. DMD patients ultimately succumb to cardiac and respiratory failure in their late teens or early twenties. The mean lifespan of patients with Duchenne muscular dystrophy is approximately 25 years.

DMD is a progressive disease caused by mutations in the gene encoding dystrophin, a protein necessary for normal muscle function. The primary role of dystrophin is as a shock absorber, and this protein allows muscle cells to retain their structural integrity while under mechanical stress. In the absence of dystrophin, muscle fibers are no longer protected from the mechanical forces of contraction, which leads to cell death, fibrotic tissue formation and muscle degeneration. Therefore, the restoration of dystrophin is a compelling therapeutic strategy, and a number of therapeutic modalities have been explored with this goal in mind. However, the nature of the *DMD* gene, the range of mutations implicated in DMD, and the large size of the dystrophin protein itself provide considerable obstacles to this approach.

The *DMD* gene, at 2.1 million base pairs and 79 exons, is one of the largest in the human genome. Over 6,000 mutations are known, and the gene has a relatively high natural mutation rate, with approximately 1 in 3 DMD cases arising due to a *de novo* mutation. There is no one mutation that is highly prevalent, and this factor provides a considerable challenge for therapeutics looking to target the root genetic cause of this debilitating disease.

That said, mutations in the dystrophin gene are not random, with hotspots of mutations existing between exons 45-53 and to a lesser extent between exons 2-20. It is thought that 13% of patients with DMD have mutations that are amenable to treatment with an exon 51-skipping therapeutic approach, and thus the estimated exon 51 patient population is approximately 2,000 in the United States, 3,200 in Europe and 700 in Japan.



Breakdown of DMD population by amenability to treatment with exon skipping therapeutics.

Current approaches and limitations

There is no cure for DMD and there are no treatments that have clinically demonstrated a meaningful impact on disease progression. Corticosteroids are the mainstay of pharmacologic treatment for DMD as they have been shown to temporarily improve muscle strength, prolong the period of ambulation and slow the progression of this disease. However, glucocorticoid use is associated with well-known adverse effects, such as weight gain, stunted growth, weakening of bone structure, high blood pressure, diabetes, psychological effects, skin thinning and an increased risk of infection.

Several approaches have been taken to address groups of mutations in the dystrophin gene. Ataluren is a small molecule that enables the dystrophin protein synthesis machinery to bypass nonsense mutations, where a stop codon is introduced into the dystrophin messenger RNA, or mRNA, thus preventing the synthesis of full-length dystrophin protein. This drug, marketed by PTC Therapeutics as Translarna, has received conditional approval in a number of countries outside of the United States, including across the European Economic Area. However, an approval has yet to be granted by the FDA.

An alternative approach is to alter the processing of the dystrophin mRNA. A number of DMD patients suffer from mutations that result in the disruption of the reading frame of the *DMD* transcript, which in turn leads to an absence of the dystrophin protein. Using an antisense oligonucleotide, or ASO, the mRNA splicing process in the nucleus can be altered to skip over a select exon, allowing the open reading frame to be restored. This exon skipping approach results in the subsequent generation of dystrophin protein isoform which, although internally deleted, retains much of its function and can thus protect muscle tissue against further contraction-induced damage.

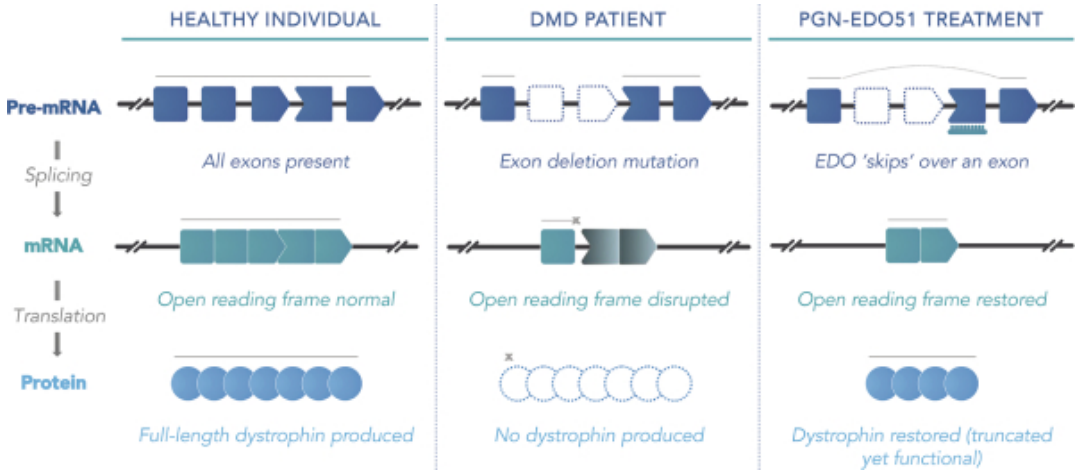
Several unconjugated, or ‘naked’ ASOs have been approved to treat DMD, including eteplirsen, marketed as EXONDYS 51® by Sarepta for the treatment of mutations amenable to an exon 51-skipping therapeutic approach. This drug received accelerated approval from the FDA on the basis of an increase of less than 1% in the expression of dystrophin, with this readout being considered a valid surrogate endpoint under the Accelerated Approval regulatory pathway. Published observational studies of small numbers of patients on EXONDYS 51® appear to show somewhat slower disease progression than historical controls. However, at this level of dystrophin, this therapeutic has yet to formally establish evidence of clinical benefit through rigorously powered and adequately controlled clinical trials with functional endpoints. EXONDYS 51® has not been approved in the EU or in Japan on the basis of this minimal degree of dystrophin restoration as a surrogate endpoint.

In addition to oligonucleotide therapeutics, gene therapy approaches are also in clinical development as potential treatments for DMD. Exon skipping does not face some of the inherent challenges associated with gene therapy modalities, including:

- Limited packaging size of AAV vectors, resulting in the need to employ truncated 'microdystrophin' genes with an unclear functional benefit, where >50% of the dystrophin gene is omitted, including regions that correspond to key structural and binding domains;
- Increased safety concerns with high-dose AAV-based gene therapies (e.g. complement activation);
- Immunogenicity of AAV, resulting in:
  - Up to half of all patients possessing antibodies against the most commonly used recombinant AAV vector serotypes, precluding their eligibility for treatment; and
  - Production of anti-AAV antibodies in treated patients, resulting in an inability to redose;
- Loss of gene copies over time as patients mature and their cells divide, reducing the durability of therapeutic effect; and
- Complexity and challenges inherent to manufacturing of AAV-based therapies.

Our approach

We are developing a portfolio of product candidates for the treatment of DMD in which exon skipping PMOs are conjugated to our EDO peptide in order to enhance their delivery to muscle cells. Our initial product candidate is PGN-EDO51, an investigational EDO peptide-conjugated exon 51-skipping ASO with a proposed mechanism of action we believe to be identical to that of eteplirsen.



PGN-EDO51 is designed to facilitate the skipping of exon 51, allowing the synthesis of a shortened, but functional, dystrophin.

The key differentiator between PGN-EDO51 and other exon 51-skipping approaches is the greater activity observed with PGN-EDO51 in preclinical models. We believe the higher levels of exon skipping obtained with PGN-EDO51 in NHPs in comparison to published and head-to-head data for other such therapies

is directly related to the ability of our EDO platform to drive the tissue penetration, cellular uptake and nuclear delivery of the PMO cargo therapeutic to the subcellular compartment where interaction with the mRNA takes place.

Our preclinical data

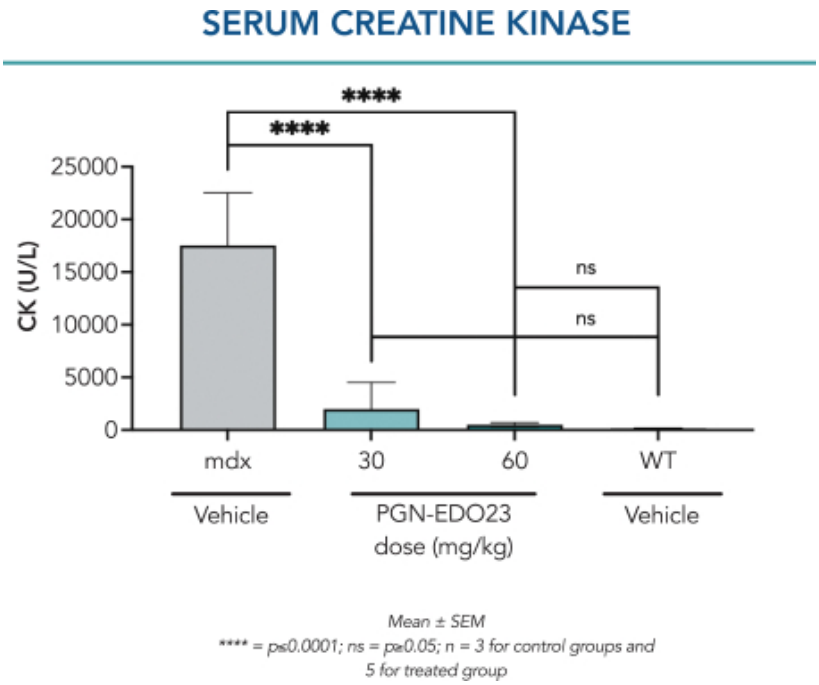
Activity data: Substantial improvements in exon skipping levels

We have evaluated the pharmacology of PGN-EDO51 in a number of *in vitro* and *in vivo* preclinical studies and have observed robust activity in each of the model systems evaluated. In DMD patient cells bearing a deletion of exon 52, where an exon 51-skipping modality restores the open reading frame and facilitates the production of dystrophin, treatment with PGN-EDO51 resulted in high levels of exon 51 skipping across a wide range of concentrations. These results suggest that our first product candidate has the potential to drive robust exon skipping activity in a highly relevant *in vitro* environment and thus support the advancement of this product candidate to further studies *in vivo* models.

The *mdx* mouse, a well-characterized model of DMD, has been widely employed in the field to assess the potential activity of therapeutic candidates for this indication. The pathologies evident in the mdx mouse model arise due to the presence of a point mutation in exon 23 of the murine dystrophin gene, leading to the production of a dystrophin transcript in which the open reading frame is disrupted. As in DMD patients, this disruption precludes production of a functional dystrophin protein, and as a result *mdx* mice exhibit extensive cell death, fibrosis and muscle tissue degeneration.

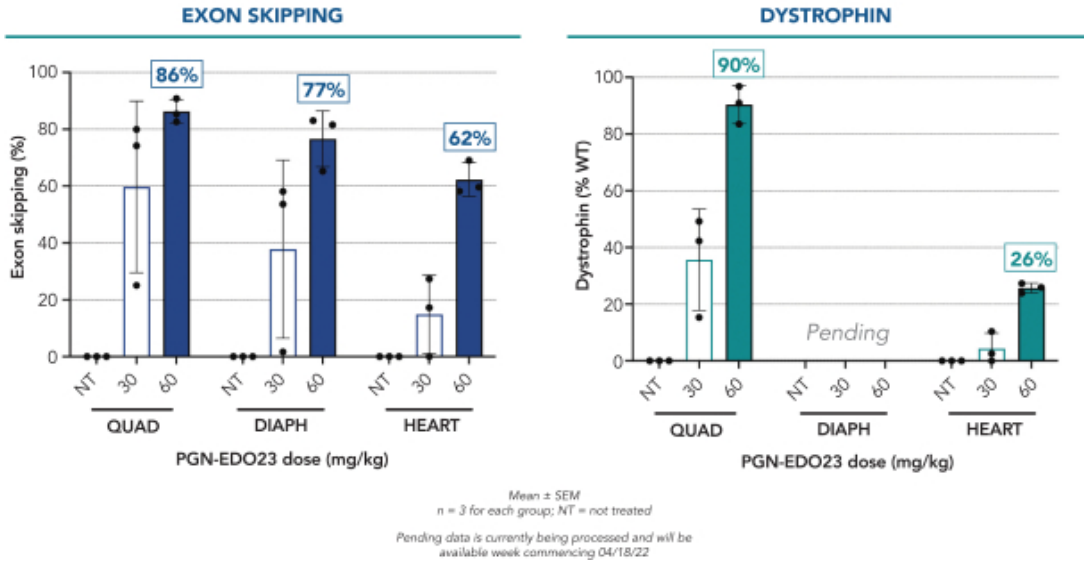
We have utilized PGN-EDO23, a murine analogue of PGN-EDO51, to assess the activity of our EDO platform in *mdx* mice. PGN-EDO23 consists of our lead EDO peptide conjugated to the well-established exon 23-skipping PMO, and thus the activity of this compound is highly applicable to PGN-EDO51, and our pipeline candidates PGN-EDO53, PGN-EDO45 and PGN-EDO44.

Creatine kinase, or CK, is a critical biomarker of muscle damage, with this enzyme being elevated in DMD patients from birth. In the absence of dystrophin, the structural integrity of the sarcolemma, or muscle cell membrane, is disrupted, leading to the release of CK into the blood. Following intravenous administration of a single, generally well-tolerated dose of 30 mg/kg or 60 mg/kg of PGN-EDO23, we observed normalization of serum CK to wild-type levels in *mdx* mice seven days post-dose. The normalization of CK levels observed in this study suggest that PGN-EDO23 may restore muscle cell integrity and prevent further damage in *mdx* mice under a single dose regimen, and we believe that this outcome supports the potential therapeutic utility of PGN-EDO51 in the treatment of DMD patients.



A single dose of PGN-EDO23, the murine analogue of PGN-EDO51, was observed to normalize creatine kinase, a marker of muscle damage in *mdx* mice.

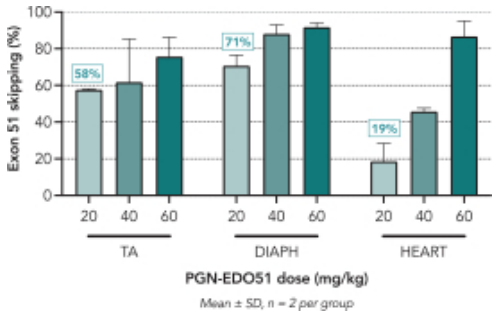
In addition to this significant reduction in CK, we also observed high levels of exon 23 skipping and dystrophin production in *mdx* mice when measured by RT-PCR and Western blot, respectively, seven days after a single dose of PGN-EDO23. In the quadriceps, a single, generally well-tolerated dose of 60 mg/kg yielded an exon skipping rate of 86% and dystrophin restoration to 90% of wild-type levels, while the same dose in the diaphragm afforded an exon skipping rate of 77%. In critical cardiac tissue, the exon skipping rate was observed to be 62%, with dystrophin restoration levels of 26%. Given the relevance of the *mdx* mouse as a preclinical model for DMD, we believe that these robust exon skipping and dystrophin readouts are supportive of the potential activity of the EDO platform in this disease and the potential clinical benefit we may deliver to patients with our lead candidate, if approved.



Robust exon skipping and dystrophin restoration was observed seven days after a single dose of PGN-EDO23 in *mdx* mice.

We have conducted a number of studies in NHPs and have observed the robust *in vivo* activity of PGN-EDO51 in this higher order animal model. There is complete homology of the oligonucleotide binding site between the *DMD* gene in humans and the *DMD* gene in NHPs for an exon 51-skipping therapeutic, thus allowing the activity of our clinical candidate to be assessed in this large animal model. We believe that the data obtained from NHP studies may offer a valuable insight into the potential tolerability, delivery and activity readouts that we could obtain for PGN-EDO51 in human clinical trials.

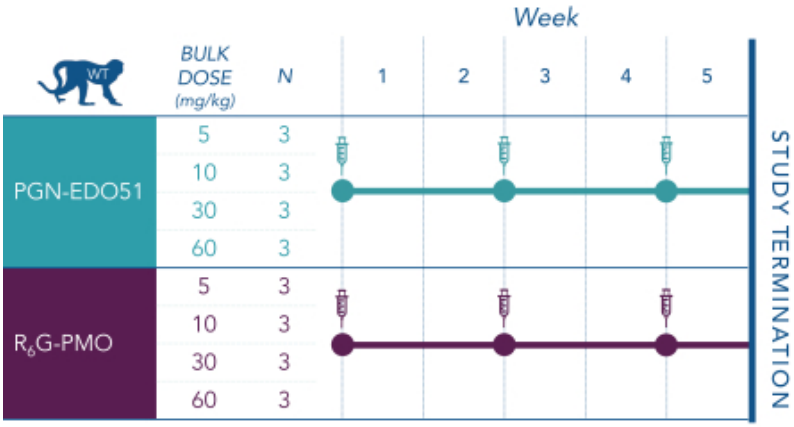
In a preclinical intravenous dose study, we observed that a single administration of PGN-EDO51 in NHPs led to high rates of exon 51 skipping in the TA, diaphragm and heart, with these tissues being harvested seven days post-dose and then assayed using a RT-PCR protocol. Of particular note are the results obtained for the heart, where exon skipping rates of 19%, 46% and 87% were obtained following single doses of 20, 40 and 60 mg/kg respectively. We believe these results for PGN-EDO51 represent the highest rate of exon 51 skipping in a primate following a single dose of any approved therapeutic or known development candidate.



Single doses of PGN-EDO51 led to high rates of exon 51 skipping in a preclinical NHP study.

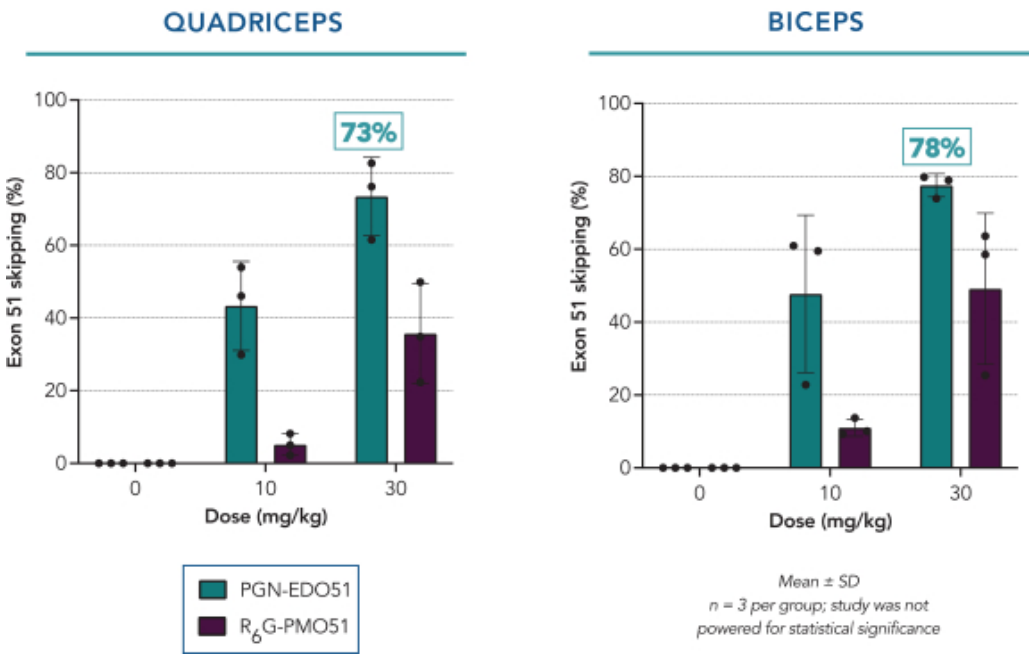
In order to benchmark the ability of our lead EDO peptide to improve the tissue penetration, cellular uptake and nuclear delivery of oligonucleotide therapeutics, we carried out a study comparing our EDO-

conjugated PMO to an R_6G peptide conjugated to the same PMO. We have conducted a considerable number of benchmarking studies of PGN-EDO51 against R_6G-PMO, and we believe – based on publicly-available information – that R_6G-PMO is structurally equivalent to SRP-5051, Sarepta's CPP-PMO product candidate that is currently in clinical development for the treatment of DMD patients who are amenable to an exon 51-skipping approach. In this preclinical study, NHPs were dosed intravenously with either PGN-EDO51, R_6G-PMO or a saline control three times with an interval of two weeks between doses. Biopsies of the biceps and quadriceps were collected seven days after the first and second dose, and tissues were harvested seven days after the final dose.



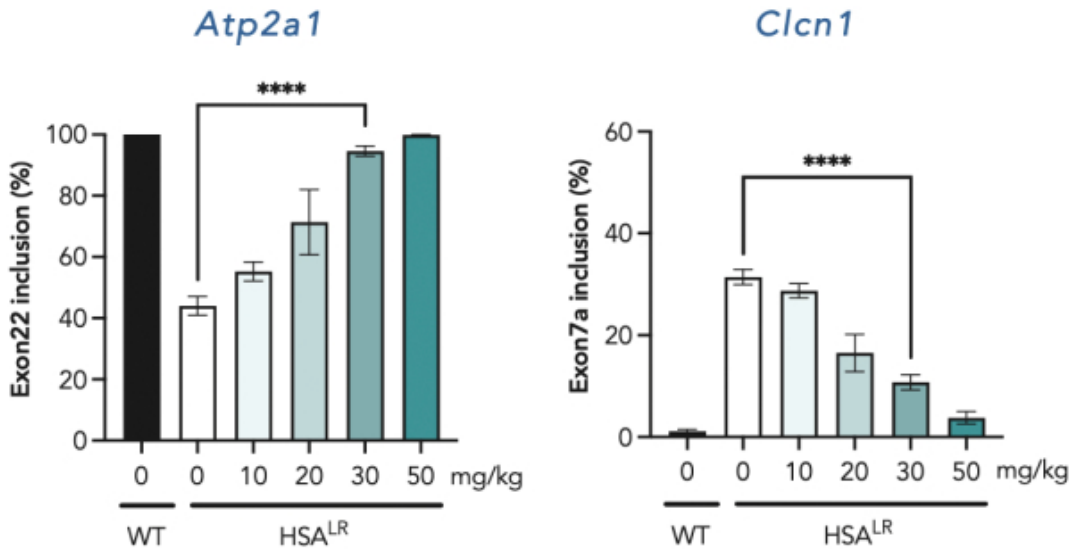
Our preclinical study design enabled robust collection of repeat-dose activity and tolerability data in NHPs.

Through RT-PCR analysis of key skeletal muscles collected upon study termination, we have observed that a 10 mg/kg repeat dose of PGN-EDO51 achieved exon skipping rates of 48% in the biceps, 43% in the quadriceps and 19% in the latissimus dorsi. In contrast, we observed R_6G-PMO at the same dose to have exon skipping levels in the biceps, quadriceps and latissimus dorsi of 11%, 5% and 2% respectively. At a dose of 10 mg/kg, PGN-EDO51 exhibited approximately as much activity as a 3-fold higher dose, i.e., 30 mg/kg, of R_6G-PMO.



Repeat dose administration of PGN-EDO51 yielded high exon skipping rates in peripheral skeletal muscles.

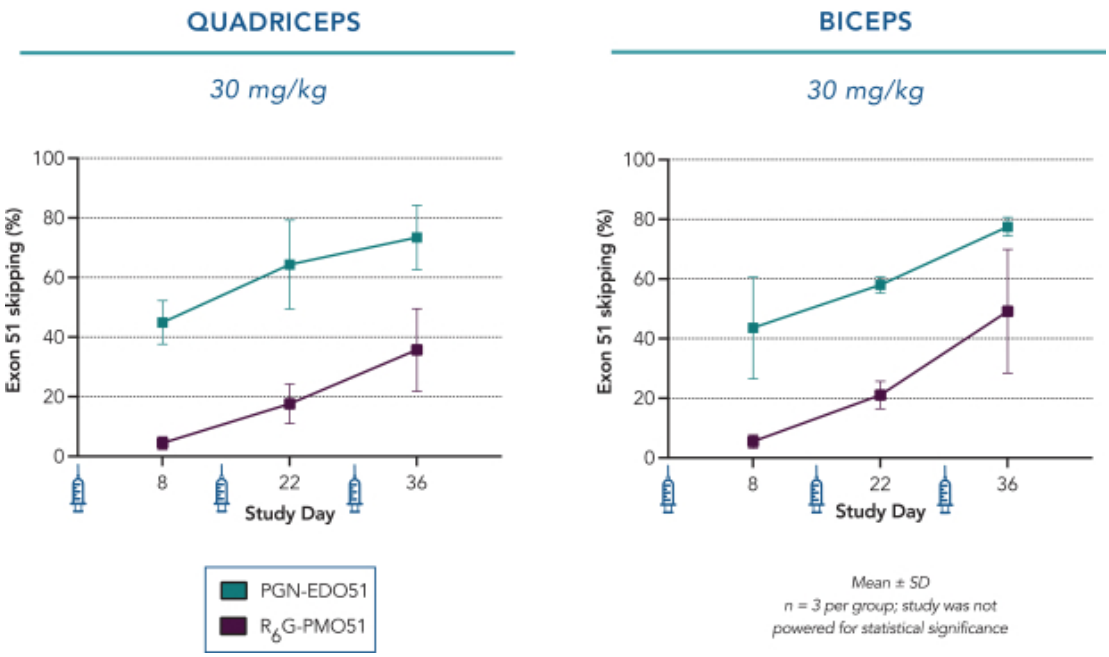
We believe the potentially superior activity of PGN-EDO51 is also exemplified by the exon skipping results obtained for cardiac left ventricle and diaphragm muscle tissues. In patients with DMD, cardiomyopathy and subsequent heart failure is a leading cause of death, and predominantly involves the left ventricle, the chamber responsible for pumping oxygenated blood around the body. A repeat dose of 30 mg/kg resulted in exon 51 skipping levels of over 20% in the left ventricle for PGN-EDO51, while the same dosing regimen for R_6G-PMO yielded an exon skipping rate of 4%. These results highlight a greater than five-fold differential in activity between our EDO lead compound and R_6G-PMO in this key tissue. In addition to cardiac pathologies, DMD patients also experience a progressive impairment in pulmonary function due to the impact of the dystrophic process on the respiratory muscles, including the diaphragm, which in turn results in significant morbidity and mortality over time. In the critical diaphragm tissue, a 10 mg/kg repeat dose of PGN-EDO51 afforded exon skipping rates that were approximately 12-fold higher than those observed for R_6G-PMO. No serious adverse events were observed during this study.



Mean ± SEM
***** = extremely significant*
n = 16 per group for 0 mg/kg; 8 per group for 10 - 30 mg/kg; 4 per group for 50 mg/kg
WT = wild type

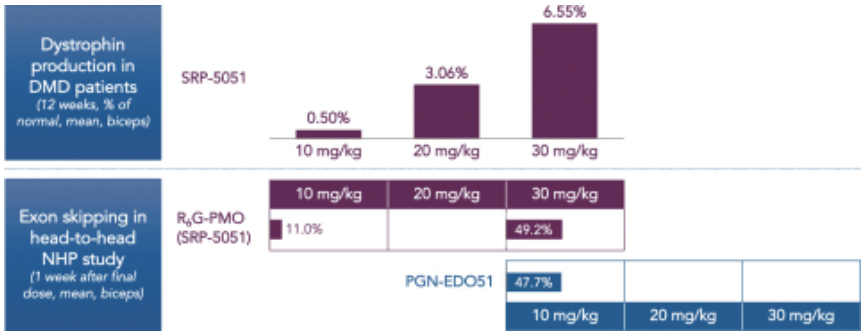
Preclinical repeat dose administration of PGN-EDO51 yielded high exon skipping rates in the key cardiac left ventricle and diaphragm tissues.

In order to understand the potential accumulation of exon 51-skipped transcripts under a repeat dose regimen, we assessed NHP tissue biopsy samples of the biceps and quadriceps collected seven days following the first administration and seven days following the second administration of the study protocol described above; we also assessed terminal samples from the same tissues collected seven days following the third and final administration. The levels of exon 51 skipping of the *DMD* transcript were assayed via an RT-PCR protocol. The results obtained showed a robust accumulation in the levels of the exon 51 skipped transcript with each subsequent dose, and again serve to highlight the dramatic difference in activity observed between PGN-EDO51 and R_6G-PMO. In addition, we believe this accumulative effect suggests that the activity of PGN-EDO51 is likely to further increase with chronic dosing, and we thus anticipate that even higher exon skipping levels would be observed following additional administrations of our lead product candidate.



Exon skipped transcripts in the biceps and quadriceps accumulated under a preclinical repeat-dose regimen of PGN-EDO51.

To provide context to our NHP data, we believe it is important to consider data presented by Sarepta for SRP-5051, which we understand to be structurally equivalent to the R_6G-PMO conjugate we used as a comparator in our preclinical studies. In a Phase 2 clinical trial of SRP-5051 in DMD patients amenable to an exon 51-skipping approach, Sarepta reported that patients treated with 30 mg/kg of their candidate achieved dystrophin production of 6.55% of normal levels. A dose response was observed in this trial, with patients dosed at 30 mg/kg achieving twice as much dystrophin production as patients treated with 20 mg/kg. A positive relationship was observed between exon skipping levels and dystrophin expression, with higher exon skipping resulting in higher dystrophin expression. Sarepta has previously reported data showing that the drug exposure for SRP-5051 is similar between NHPs and human subjects.



We believe PGN-EDO51 has robust clinical potential.

In our head-to-head study in NHPs, PGN-EDO51 dosed at 10 mg/kg resulted in near equivalent exon skipping to the 30 mg/kg dose of R_6G-PMO, and PGN-EDO51 dosed at 30 mg/kg resulted in significantly higher

exon skipping than R_6G-PMO at the same dose. Given these results, we believe that PGN-EDO51 at the 10 mg/kg dose has the potential to afford comparable dystrophin levels to those obtained following treatment with SRP-5051 at the 30 mg/kg dose in DMD patients. We believe that doses of PGN-EDO51 above 10 mg/kg could generate even greater dystrophin production than obtained for the 30 mg/kg dose of SRP-5051, which may lead to clinically meaningful outcomes for those suffering from this disease. Due to the long half-life of the dystrophin protein, and the accumulation in exon skipping that we observed during our repeat-dose study, we believe that these levels could continue to accumulate over time and thus further enhance the clinical benefit afforded to DMD patients by our EDO technology.

In addition to Sarepta's competing SRP-5051 approach, several organizations focused on the development of next-generation oligonucleotide therapeutics have recently released NHP exon skipping data. Dyne Therapeutics, a preclinical-stage company utilizing an antigen-binding fragment, or Fab, as a delivery vector for nucleic acid species, announced NHP data in the fourth quarter of 2021 for DYN-251, their lead product candidate for the treatment of DMD patients amenable to an exon 51-skipping approach. Following two bi-weekly or four weekly doses of 30 mg/kg, with tissue analysis two weeks or one week, respectively, after the final dose, Dyne reported very minimal levels of exon skipping in quadriceps, diaphragm and whole heart. An administration regimen of five weekly doses of 30 mg/kg, with tissue analysis four weeks after the final dose, yielded more robust results: 18% exon 51 skipping in quadriceps, 52% in diaphragm and 43% in whole heart. While this data was not obtained as part of a head-to-head comparison, we reported exon 51-skipping levels of 73% in the quadriceps and 76% in the diaphragm following a dosing regimen of three bi-weekly doses of 30 mg/kg of PGN-EDO51 with tissue analysis one week after the final dose, and 19% in whole heart and 71% in diaphragm following a single dose of 20 mg/kg of PGN-EDO51 with tissue analysis one week after dosing. These NHP results serve to further cement our belief that PGN-EDO51 has the potential to address multiple, critical muscle types in this competitive space.

We are additionally aware of other cell-penetrating peptide and antibody-conjugated approaches in preclinical development for the treatment of DMD patients amenable to an exon 44- and exon 45-skipping therapeutic approach.

Preclinical tolerability data: Generally well-tolerated through clinically relevant dose levels

PGN-EDO51 was generally well-tolerated in single-dose, 28-day Good Laboratory Practice, or GLP, toxicity studies in mice and NHPs; no treatment-related mortality and no serious adverse events were observed through the therapeutic dose range. There were no adverse microscopic observations and no adverse impacts on clinical chemistry markers at clinically relevant dose levels.

Sarepta noted that hypomagnesemia was observed in DMD patients at a dose levels of 10, 20 and 30 mg/kg of SRP-5051, an observation that is consistent with our own findings in repeat-dose preclinical testing of R_6G-PMO. In our non-GLP repeat-dose study in NHPs, measurement of serum magnesium levels indicated the presence of hypomagnesemia following multiple administrations of PGN-EDO51 at the upper end of the therapeutic dose range and above; we likewise observed hypomagnesemia with R_6G-PMO in the same head-to-head study at similar dose levels.

Following the announcement of positive interactions with the FDA in the fourth quarter of 2021, Sarepta initiated what it reports could be the pivotal trial for SRP-5051, with a protocol that includes magnesium supplementation. Sarepta has further noted that this modulation in clinical chemistry may be reversible, monitorable and manageable with prophylactic oral administration of such supplements. Based on these findings, we anticipate that we may observe hypomagnesemia following repeat-dose administration of PGN-EDO51 in our patient clinical trials. We intend to carefully monitor serum magnesium levels in our ongoing Phase 1 HNV clinical trial, and we will seek to incorporate a magnesium supplementation protocol into our subsequent Phase 2 patient clinical trials as required.

Collectively, these results, including the exon skipping and serum magnesium data described above, support our belief that PGN-EDO51 has a potential therapeutic index that is considerably wider than the therapeutic index exhibited by SRP-5051. Our lead product candidate has exhibited greater activity than R_6G-PMO at the same dose level in NHPs, and was more tolerable at the same activity level when compared to this competing CPP-PMO approach in a head-to-head study.

An *in vitro* T cell stimulation assay conducted with peripheral blood mononuclear cells from healthy donors indicated that PGN-EDO51 has a very low immunotoxicity risk. This is further supported by data showing that the pharmacokinetic profile of PGN-EDO51 was similar following the first and third dose, suggesting no significant neutralizing anti-drug antibody responses were present after a three dose regimen in NHPs.

We submitted our preclinical dataset for PGN-EDO51, including both pharmacology and toxicity studies, to Health Canada as part of our CTA filing in the first quarter of 2022. Upon review, Health Canada subsequently authorized our CTA.

Clinical development

Our planned clinical path

To date, there have been a number of clinical trials conducted with exon 51-skipping therapeutics for the treatment of DMD. Based on these learnings, and on the extensive expertise of our clinical team and scientific advisory board, we have designed what we believe to be an efficient clinical path to evaluate the safety and efficacy of PGN-EDO51 in humans. We anticipate conducting the following studies, subject to regulatory feedback and clearance to proceed to clinical trials:

Phase 1 clinical trial: We commenced a first-in-human, Phase 1, single-center, randomized, double-blind, placebo-controlled, single ascending dose clinical trial to assess the safety, tolerability, pharmacokinetics and target engagement of PGN-EDO51 administered intravenously to healthy normal volunteer, or HNV, adult males in the second quarter of 2022.

The primary objective of this study will be to assess the safety and tolerability of PGN-EDO51 at doses of 1, 5, 10, 15 and 20 mg/kg. We will also assess the pharmacokinetics and target engagement of our product candidate as secondary and exploratory objectives respectively. The latter endpoint will be focused on exon 51 skipping activity, which will be measured by both reverse transcriptase PCR, or RT-PCR, and droplet digital PCR, or ddPCR, assays conducted on muscle biopsy tissue taken from the biceps brachii. We anticipate receiving topline data from this trial by the end of 2022, and expect that these projected readouts, as detailed below, have the potential, if successful, to inform the design, parameters and objectives of a subsequent clinical trial in DMD patients:

- *Safety and tolerability:* If PGN-EDO 51 is generally well-tolerated with an absence of treatment emergent SAEs, we believe such results would facilitate our Phase 2a clinical trial, and could support the initiation of this multiple ascending dose study at higher dose levels;
- *Pharmacokinetics:* If we successfully detect PGN-EDO51 in muscle tissue, such data, if sufficiently robust, could allow us to establish a baseline for our Phase 2a clinical trial; and
- *Target engagement:* If we observe promising target engagement in exon 51 skipping, we anticipate that this readout, if sufficiently robust, could allow us to establish a baseline for our Phase 2a clinical trial.

Sarepta's recent clinical trials for SRP-5051 provide a highly relevant benchmark with regards to exon skipping target engagement in healthy adults. We note here that, in a single dose trial in HNV, SRP-5051 afforded median exon skipping levels of <0.2%. However, in a subsequent multiple ascending dose trial in DMD

patients, treatment with SRP-5051 yielded exon skipping levels that were more than 10 times higher at the same dose level. Thus, based on this precedent established by the most clinically advanced next-generation exon skipping approach in development for DMD, we anticipate that the exon skipping rates afforded by PGN-EDO51 have the potential to be higher in patients than in HNVs.

Patient clinical studies: Following our HNV study we will seek to assess the safety, tolerability and efficacy of PGN-EDO51 in DMD patients amenable to an exon 51-skipping approach in Phase 2 clinical trials, beginning with a Phase 2a multiple ascending dose study in the first half of 2023. We anticipate receipt of safety and exon skipping and dystrophin topline data in 2024, and we are planning to conduct this trial in a number of geographies, including the United States. Furthermore, we have received initial, positive feedback on our clinical path from the FDA via a pre-IND written response.

We believe that this clinical path may enable us to seek accelerated approval of PGN-EDO51 with the FDA. A product candidate may be eligible for accelerated approval if it treats a serious or life-threatening disease or condition; generally provides a meaningful advantage over available therapies; and demonstrates an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality and is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit. If we receive positive results from our Phase 2 trials, we believe our potential application to this expedited regulatory pathway would be supported by data generated in these trials, namely: an acceptable safety and tolerability profile; a clinically meaningful increase in dystrophin levels, a surrogate endpoint, in the biceps of DMD patients; and robust exon skipping levels in the same tissue.

The accelerated approval of DMD drugs based on an increase in dystrophin production has significant precedent at the FDA, with four such approvals granted on this basis since 2016. Based on these regulatory precedents in DMD, if we are able to demonstrate increased dystrophin production in our Phase 2 trials of PGN-EDO51, we intend to seek accelerated approval from the FDA using dystrophin as a surrogate endpoint.

Four drugs have received accelerated approval in DMD to date.

Drug	Approval	Sponsor	Population	Sample size	Placebo Dystrophin	Drug Dystrophin
EXONDYS 51® *(eteplirsen)*	2016	Sarepta Therapeutics	Exon 51	12	n/a	0.44%
VYONDYS 53® *(golodirsen)*	2019	Sarepta Therapeutics	Exon 53	12	n/a	1.02%
VILTEPSO® *(viltolarsen)*	2020	NS Pharma	Exon 53	8	n/a	5.90%
AMONDYS 45® *(casimersen)*	2021	Sarepta Therapeutics	Exon 45	43	0.76%	1.74%

PGN-EDODM1

Overview

We are developing PGN-EDODM1, an EDO peptide-conjugated PMO, for the treatment of DM1, a debilitating genetic disease with no approved therapies. Utilizing our EDO technology platform, PGN-EDODM1 is designed to deliver a PMO into muscle cells that binds to the cytosine-uracil-guanine, or CUG, repeat expansion present in the *DMPK* mRNA, thus reducing the ability of these trinucleotide repeats to sequester MBNL1, a critical RNA processing protein. This steric blocking approach – which is not designed to knock down *DPMK* – directly addresses the underlying genetic defect in DM1, and we have observed in DM1 patient

cells that treatment with PGN-EDODM1 supported the robust correction of multiple downstream mis-spliced transcripts and a reduction in toxic nuclear foci. Furthermore, we observed in our preclinical studies that a single dose of PGN-EDODM1 corrected the molecular and functional phenotypes presented in the human skeletal actin – long repeat, or, HSA^{LR}, mouse model of disease. We anticipate submitting an IND for PGN-EDODM1 in the first half of 2023 in order to initiate a Phase 1/2 clinical trial in DM1 patients.

Disease background and prevalence

DM1 is a monogenic, autosomal dominant, progressive disorder that primarily affects skeletal, cardiac and smooth muscles, with CNS symptoms also being evident. Globally, the prevalence of DM1 is estimated to be 1 in 8,000 people, with approximately 40,000 patients in the United States, 75,000 patients in Europe and 15,000 patients in Japan. However, under- and misdiagnosis is believed to be widespread, and genetic screening studies for *DMPK* triplet repeats have suggested that this rate may be as high as 1 in 2,100 people.

DM1 patients can suffer from various manifestations of disease including myotonia, or a temporary rigidity due to the inability to relax muscles; muscle weakness; cardiac abnormalities; respiratory problems; fatigue; cardiac pathologies; gastrointestinal complications; early cataracts; and cognitive and behavioral impairments. For patients with more severe forms of DM1, life expectancy is reduced due to increased mortality rates resulting from pulmonary and cardiac complications.

The broad spectrum of pathologies associated with DM1 arise due to genetic changes in the myotonic dystrophy protein kinase, or *DMPK*, gene. Specifically, DM1 is caused by an expansion in the number of cytosine-thymine-guanine, or CTG, triplet repeats that are present in the non-coding region of the *DMPK* gene, and following transcription this mutant *DMPK* gene yields an mRNA product with an expanded CUG repeat region. Healthy, asymptomatic individuals possess between 5 and 37 such repeats, but in DM1 patients the number of repeats can be in the thousands. These highly repetitive sequences form stable hairpin structures in the nucleus of cells and sequester critical RNA splicing proteins, such as MBNL1. The sequestration of MBNL1 prevents this key protein from performing its normal function of processing RNA molecules before they are exported from the nucleus, leading to downstream mis-splicing events in a number of other transcripts. The mis-splicing of these transcripts results in the dysregulation of a broad set of downstream proteins, which in turn leads to in the multi-systemic pathologies that are associated with DM1.

There is a general correlation between the number of CTG repeats in *DPMK* and the severity of disease: individuals with 50 to 150 repeats are prone to development of mild myotonia and cataracts, but typically have a normal lifespan. Individuals with up to approximately 1,000 repeats have muscle weakness and cardiac arrhythmia, with an average lifespan of 48 years to 55 years. The most serious cases of DM1 are generally observed in individuals with more than 1,000 repeats, and these patients are likely to also suffer from respiratory defects and intellectual disability, with a shortened lifespan of approximately 45 years.

Patients are broadly categorized into four populations based on the age of onset:

PHENOTYPE	CLINICAL SIGNS	AGE OF ONSET	CTG REPEAT LENGTH	% OF DM1 PATIENTS (ESTIMATE)
CONGENITAL	Mild to severe neonatal symptoms, including hypotonia, respiratory distress, sucking or swallowing difficulties, or skeletal deformities detected at birth or during the first month of life, cognitive impairments	Birth	>1,000	5
INFANTILE	Dysphagia, facial dysmorphism, cardiac conduction defects, cataracts and muscle involvement, such as muscle weakness and respiratory insufficiency, congnitive impairments	0 – 10	50 – 1,000	15
JUVENILE	Pronounced myotonia, somnolence, dysphagia, respiratory insufficiency, muscle weakness and facial dysmorphism, mild cognitive impairments	10 – 20	50 – 1,000	30
ADULT	Muscle weakness, GI symptoms, dysphagia, facial dysmorphism, cognitive impairment, cardiac conduction defects, cataracts and myotonia	20 – 40	50 – 1,000	35
LATE	Cardiac defects, cataracts, diabetes, overweight/obesity, GI symptoms, dysphagia	40+	50 – 100	15

Overview of DM1 phenotypes.

Current approaches and limitations

There are no approved therapies to treat DM1, with current standards of care being medicines that are used off-label for symptom management. There are a number of therapeutics currently in clinical development for the treatment of DM1 symptoms, including the small molecules tideglusib and ERX-963. However, neither of these therapeutics treat the underlying cause of disease, and thus we believe that a considerable unmet need will remain in DM1 even if these therapies are approved. Previously, a phosphorothioate ASO designed to cause degradation of the *DMPK* transcript was clinically assessed as a therapeutic for DM1. However, this therapeutic approach was restricted by the inefficiency of ASO delivery into tissue and cells, thus limiting the effective clinical translation of this product candidate.

There are several preclinical- and clinical-stage approaches leveraging antibody-oligonucleotide conjugate, or AOC, technologies, that are currently in preclinical development for the treatment of DM1. These approaches utilize monoclonal antibodies, or mAbs, and antigen-binding fragments, or Fabs, that target the transferrin receptor 1, or TfR1, in order to deliver cargo oligonucleotides. In contrast to our steric blocking mechanism of action, these AOCs are designed to knockdown *DMPK* as a therapeutic modality. However, such

knockdown or degradation approaches that cannot differentiate between expanded and non-expanded transcripts may risk confounding effects due to haploinsufficiency.

Haploinsufficiency is a condition where a copy of the gene is deleted or mutated and the remaining copy is unable to produce sufficient protein for normal function. This condition can be created artificially by the degradation of RNA levels to such an extent that there is no longer sufficient protein produced for normal function. We believe that PGN-EDODM1 has the potential to offer a number of benefits when compared to these alternative technologies, as outlined in the table below:

	EDO CONJUGATE	TFR1 FAB / MAB AOC
DELIVERY TO MUSCLE	Efficient tissue penetration due to small size of EDO peptide relative to an antibody or antibody fragment	Large size of delivery Fab / mAb reduces tissue penetration; TfR1 receptor distribution may impact delivery
DELIVERY TO CNS	Delivery to CNS observed in NHPs following IV administration	Affinity of TfR1 Fab / mAb may prevent CNS delivery
TOLERABILITY & IMMUNOGENICITY	Low risk of immunogenicity or complement activation	Considerably higher protein load may lead to greater immunogenicity risk; mAb vectors risk complement activation
MANUFACTURING SCALABILITY	Scalable, straightforward synthesis and characterization	Increased complexity due to large size of Fab / mAb; may be reliant on cell-based processes

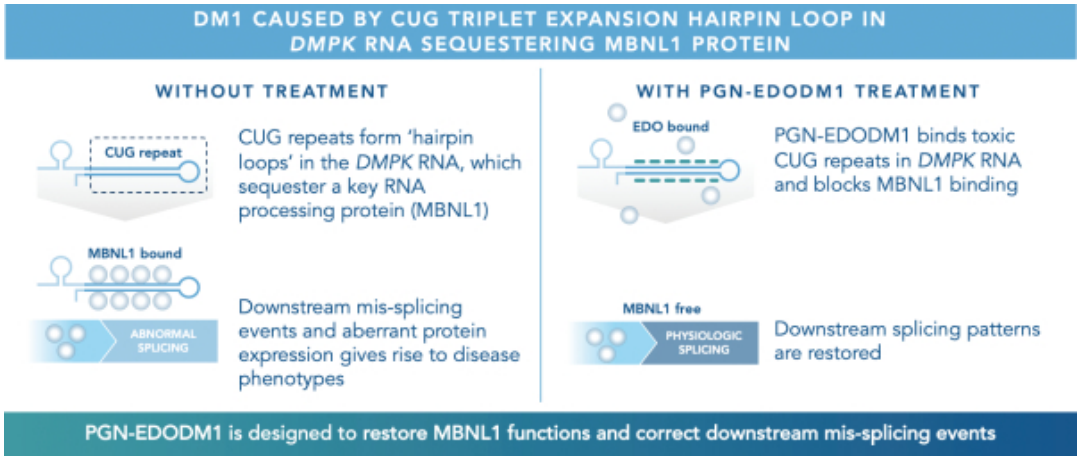
Our approach is differentiated against competing AOC therapeutics in development for DM1.

We are additionally aware of other cell-penetrating peptide approaches currently in preclinical development for the treatment of DM1.

Our approach

Our product candidate for the treatment of DM1, PGN-EDODM1, consists of our lead EDO cell penetrating peptide conjugated to an ASO that binds to the CUG repeats in the *DMPK* mRNA. We are employing the same EDO peptide in PGN-EDO51 and PGN-EDODM1. PGN-EDODM1 is designed to directly address the deleterious effects of genetic alteration in DM1, i.e. the sequestration of MBNL1 due to the high number of CUG repeats in the *DMPK* transcript.

We believe that this innovative therapeutic approach has considerable advantages over oligonucleotide modalities that rely on knockdown or degradation of the *DMPK* transcript. PGN-EDODM1 utilizes a steric-block mechanism to liberate sequestered MBNL1, an approach which we believe will allow the *DMPK* transcript to continue performing its normal function within the cell. We believe that this therapeutic strategy positions us to potentially offer clinically meaningful benefits while mitigating the risk of deleterious outcomes that may be associated with a knockdown or degradation strategy.



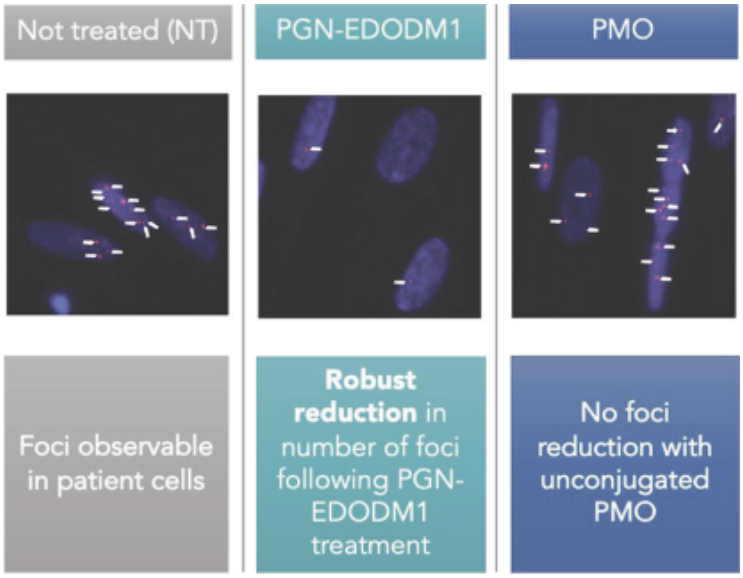
PGN-EDODM1 is designed to bind to the CUG repeats in DMPK RNA and block the sequestration of MBNL1.

Preclinical data

Activity data: Correction of molecular and functional DM1 phenotype

We have observed robust activity of PGN-EDODM1 in an *in vitro* study utilizing DM1 patient cells with approximately 2,600 CTG repeats in the *DMPK* gene. In this study, immortalized myoblasts from a DM1 patient were differentiated for four days, and then treated for 24 hours with PGN-EDODM1 at a range of concentrations from 0 mM to 20 mM. Myoblasts from a healthy individual were utilized as a control, and the unconjugated PMO was also assessed at a concentration of 20 mM in this study in order to demonstrate the critical role that our EDO platform plays in driving efficient cell uptake of this therapeutic cargo.

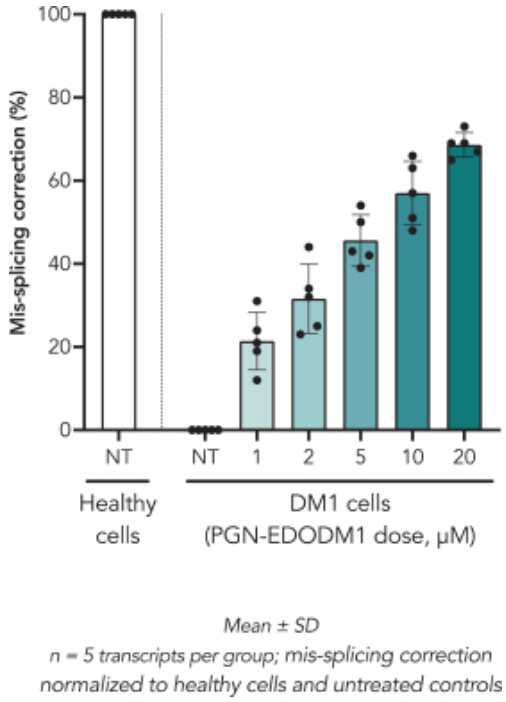
A characteristic feature of DM1 is the accumulation of nuclear foci, or ribonuclear aggregates of *DMPK* mRNA bearing the pathogenic CUG repeat expansion. These foci sequester MBNL1, a critical modulator of transcript splicing, and thus play a key role in the downstream spliceopathies that are observed in this multi-systemic disorder. We assessed the impact of PGN-EDODM1 treatment on the presence of nuclear foci in DM1 cells through visualization with Fluorescence *In Situ* Hybridization, or FISH, and immunofluorescence co-staining, and observed that treatment led to a robust reduction in the number of these toxic aggregates. In contrast, treatment with the unconjugated PMO cargo did not yield a reduction in nuclear foci, an observation which we believe supports the potential utility of our EDO platform in driving the successful delivery of therapeutic agents to their site of action. Furthermore, we believe these results provide additional support for the proposed mechanism of action of PGN-EDODM1, suggesting that – once delivered to the cell nucleus – our therapeutic cargo may bind to the CUG repeat expansion and act as a steric-blocking agent to reduce nuclear foci and liberate MBNL1.



Visualisation was performed with co-staining of FISH (CAG_{exp}, red) and immunofluorescence (nuclear stain, blue) on treated cells.

In a preclinical study conducted in DM1 patient cells, PGN-EDODM1 treatment supported the reduction of pathogenic nuclear foci in a dose-dependent fashion.

Treatment of DM1 patient cells with PGN-EDODM1 supported the robust correction of multiple downstream mis-spliced transcripts associated with key disease pathologies in a dose-dependent fashion. Utilizing RT-PCR and capillary electrophoresis analysis, an accurate, high resolution quantification methodology, we assessed the transcription profiles of MBNL1 and MBNL2, where pathogenic inclusion of exon 5 can result in further splicing defects; BIN1, where inclusion of exon 7 in DM1 patients can lead to altered excitation-contraction coupling and thus muscle weakness; LDB3, where exclusion of exon 11 may lead to dilated cardiomyopathy in DM1 patients; and SORBS1, where inclusion of exon 24 can result in altered insulin handling in the disease state. At the highest dose assessed, 20 mM, PGN-EDODM1 was observed to effect robust mis-splicing correction, resulting in exon inclusion or exclusion rates of approximately 70% of healthy control levels in these transcripts. This observation supports our therapeutic hypothesis that treatment with PGN-EDODM1 may restore the altered global spliceopathy profiles seen in DM1 patients to that of a healthy individual, thus ameliorating the key pathologies that are the hallmark of this devastating disease. In contrast, treatment with the unconjugated PMO at a dose level of 20 µM afforded very limited correction of downstream mis-splicing events, and we believe this result further supports the criticality of our EDO platform in delivering therapeutic cargos to their nuclear site of action.

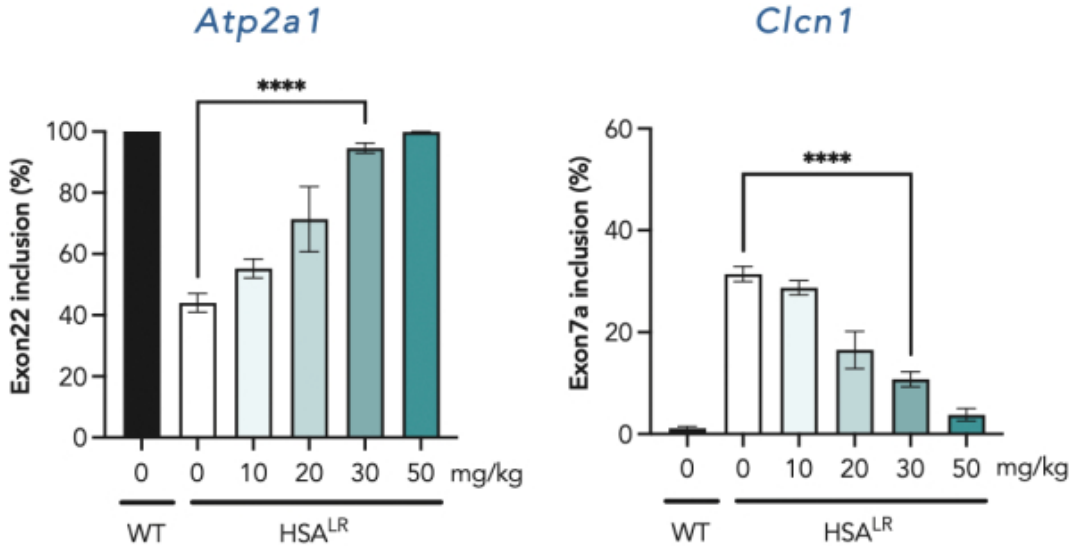


Mean ± SD
n = 5 transcripts per group; mis-splicing correction normalized to healthy cells and untreated controls

Treatment with PGN-EDODM1 resulted in correction of mis-splicing pathologies to around 70% of healthy control levels in a dose-dependent manner.

Building on the success of these *in vitro* studies, we utilized the HSA^{LR} mouse model of DM1 to assess the activity of PGN-EDODM1. This well-validated transgenic mouse model contains between 220 and 250 CTG trinucleotide repeats in the inserted human skeletal actin gene, and exhibits molecular and functional pathologies that are very similar to those seen in human DM1 patients. The CUG repeat expansion present in the HSA^{LR} mouse model, and the subsequent sequestration of MBNL1, leads to downstream defects in the normal mRNA splicing patterns for a number of transcripts, resulting in errant inclusions or exclusions of exons.

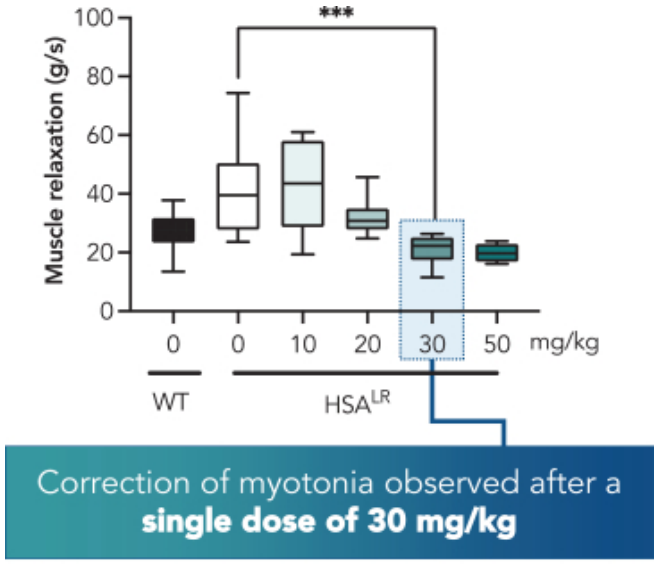
Sequestration of MBNL1 in the HSA^{LR} mouse model causes mis-splicing of multiple RNAs including *Clcn1* and *Atp2a1*, both of which are involved in the regulation of muscle movement. This mis-splicing causes the mice to exhibit myotonia, effectively recapitulating the classic symptom of disease that is observed in DM1 patients. Mis-splicing of *Atp2a1* manifests as a lack of exon 22 inclusion in the *Atp2a1* mRNA when compared to wild-type splicing patterns, while mis-splicing of *Clcn1* manifests as an increase in exon 7a inclusion in the *Clcn1* mRNA when compared to wild-type splicing patterns. Following a single intravenous administration of PGN-EDODM1, we observed dose-dependent normalization of the splicing of these genes in the quadricep and gastrocnemius muscles two weeks after dosing. At doses of 30 to 50 mg/kg and above, we interpret the splicing patterns as resembling those observed in saline-treated wild-type controls, highlighting the potential of our product candidate to address such downstream pathologies.



Mean ± SEM
***** = extremely significant*
n = 16 per group for 0 mg/kg; 8 per group for 10 - 30 mg/kg; 4 per group for 50 mg/kg
WT = wild type

PGN-EDODM1 led to a dose-dependent normalization of the splicing of Atp2a1 and Clcn1 transcripts in preclinical study in quadriceps muscles in HSA^{LR} mice.

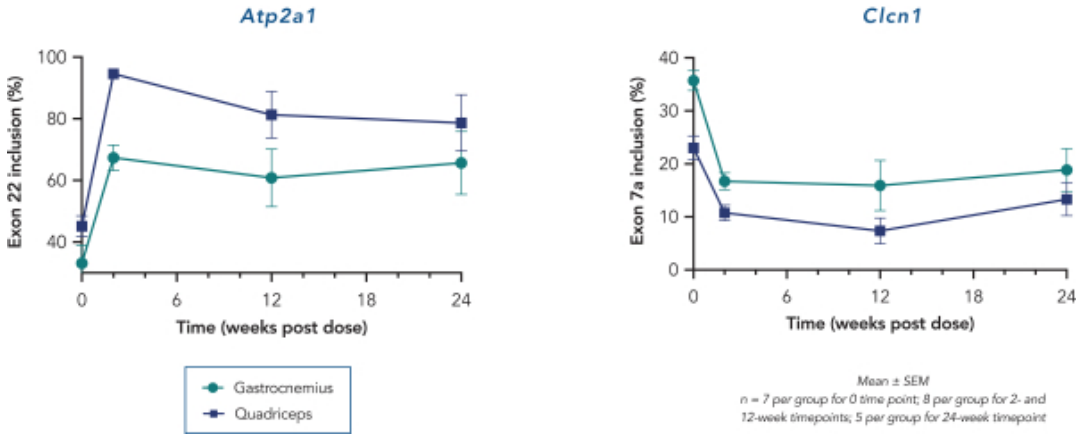
Consistent with the reversal of mis-splicing events, treatment with a single dose of PGN-EDODM1 also led to a reversal of the myotonia phenotype in HSA^{LR} mice, with doses of 30 mg/kg and 50 mg/kg showing complete normalization two weeks after administration. In observational studies we noted quantitative amelioration of myotonia, where treated mice were able to ambulate normally following the inducement of this functional phenotype of disease by hindlimb pinching. In contrast, untreated HSA^{LR} mice were unable to efficiently use their hind legs and dragged them behind following the same myotonic inducement event.



Box and whiskers plot; min to max
**** = extremely significant, 0.0001 < p > 0.001*
n = 16 per group for 0 for WT; 15 per group for 0 for HSA^{LR}; 8 per group for 10 - 30 mg/kg; 4 per group for 50 mg/kg
WT = wild type

PGN-EDODM1 led to a normalization of myotonia in a preclinical study after a single administration.

The pharmacologic effects of PGN-EDODM1 were observed to be highly durable. In a duration of effect study, again in the HSA^{LR} mouse model, amelioration of the pathogenic splicing patterns of the *Atp2a1* and *Clcn1* transcripts in the gastrocnemius and quadriceps persisted for at least 24 weeks following a single 30 mg/kg intravenous administration of PGN-EDODM1.



PGN-EDODM1 led to durable improvements in mRNA splicing through 24 weeks post-dose in the HSA^{LR} mouse model.

Our product candidate in DM1 utilizes the same delivery peptide as our DMD pipeline, and thus we believe that PGN-EDODM1 and PGN-EDO51 are likely to share a similar tissue biodistribution profile and a similarly low risk of immunogenicity. As noted earlier, following a single intravenous dose of PGN-EDO51 in NHPs, significant tissue levels of the cargo oligonucleotide were observed in muscle tissues throughout the body, as well as in brain tissues such as cerebral cortex and cerebellum one week after administration. This evidence suggests that our peptide moieties are able to deliver cargo therapeutics across the blood-brain barrier, a characteristic that may in turn allow us to address the cognitive phenotypes that are apparent in DM1. These range in severity from the significant mental impairments seen in congenital patients to the milder CNS symptomology that is present in many adult-onset patients, including fatigue, daytime sleepiness and difficulties in concentrating. As such, we believe that we are well-positioned to offer patients a transformative therapeutic that has the capability to reach and treat the broad range of tissue types affected in this multi-systemic disorder.

Preclinical tolerability data: Generally well-tolerated through clinically relevant dose levels

PGN-EDODM1 was generally well-tolerated in single dose studies in rodents. No mortality and no serious adverse events were observed. There was no impact on body weight or organ function.

The platform nature of our EDO technology allows us to utilize the preclinical data collected for our PGN-EDO51 therapeutic to support our efforts in other pipeline indications such as DM1. We believe that PGN-EDO51 and PGN-EDODM1 are likely to share a similar toxicology profile, and thus we expect to observe a consistent tolerability profile through intended dose levels.

Next steps

We are currently focused on validating our product candidate in dose-range finding studies in mice and NHPs, and expect to move towards formal toxicology studies under GLP conditions in the second half of 2022. We anticipate submitting an IND for PGN-EDODM1 in the first half of 2023 and initiating a Phase 1/2 clinical trial in DM1 patients in the same timeframe. Our expectation is that we will receive safety and splicing topline data from this trial in 2024.

PGN-EDO53

Overview

Our second EDO therapeutic for the treatment of DMD, and third product candidate, PGN-EDO53, is an EDO peptide-conjugated PMO designed to skip exon 53 of the dystrophin transcript in DMD patients who are amenable to such a therapeutic approach. PGN-EDO53 is designed to splice out exon 53 of the dystrophin pre-mRNA, resulting in the restoration of the open reading frame of the dystrophin transcript and production of a shortened yet functional dystrophin protein. PGN-EDO53 will utilize the same EDO cell penetrating peptide as our exon 51-skipping product candidate, PGN-EDO51, thereby allowing us to leverage our drug development experience in this indication to rapidly drive our exon 53-skipping product candidate to the clinic. We are currently conducting a preclinical *in vitro* screen of candidate oligonucleotide sequences, and we anticipate that we will report exon skipping results from an NHP study in the second half of 2022.

Disease background and prevalence

DMD is a fatal X-linked recessive disorder that occurs in up to 1 in 3,500 live male births, with estimates suggesting that there are up to 15,000 DMD patients in the United States and approximately 25,000 in Europe and 5,000 in Japan. Afflicted individuals carry a mutation in the dystrophin gene, and the resulting absence of this critical protein in muscle tissue leads to cell death, atrophy and progressive motoric weakness. As such, DMD sufferers experience a continual deterioration in their physical abilities from birth onwards, with

most boys requiring the use of a wheelchair by their early teens. Cardiomyopathies and respiratory ailments become increasingly common as the disease takes hold, and most patients will die from these complications between the ages of 25 and 35. It is estimated that 8% of DMD patients have mutations that would be amenable to treatment with an exon 53-skipping approach.

Current approaches and limitations

Two unconjugated ASOs leveraging PMO chemistry have been approved for the treatment of individuals with DMD who are amenable to an exon 53-skipping approach – golodirsen, marketed as Vyondys 53® by Sarepta and viltolarsen, marketed as Viltepso® by NS Pharma in the U.S. and Nippon Shinyaku in Japan. These drugs were approved in the United States through the accelerated approval regulatory pathway based on an increased expression of dystrophin, which is considered to be a surrogate endpoint for this indication. Both golodirsen and viltolarsen have yet to establish a clinical benefit for DMD patients through a confirmatory trial.

Our approach

We are developing PGN-EDO53, a peptide-conjugated ASO designed to skip exon 53 of the dystrophin transcript in DMD patients who are amenable to such a therapeutic approach. We have employed the same EDO peptide in PGN-EDO53 as is utilized in PGN-EDO51, our exon 51-skipping product candidate – a factor that allows us to rapidly drive our exon 53-skipping product candidate to the clinic by leveraging our drug development experience in this indication.

Preclinical development

We have completed a preclinical *in vitro* screen of a number of candidate ASO sequences utilizing the established PMO chemistry. We synthesized a number of exon 53-skipping PMOs conjugated to our lead EDO peptide and assessed the activity of these in human-derived myoblasts carrying mutations that are amenable to treatment with an exon 53-skipping therapeutic approach. Based on the data obtained from this *in vitro* screen, we have selected development candidates for assessment in a subsequent NHP study, which we anticipate completing in the second half of 2022.

Clinical development

We anticipate that the clinical path for PGN-EDO53 will mirror that of PGN-EDO51, allowing us to again leverage our experience in this indication to support this phase of development for our exon 53-skipping product candidate. Thus, our expectation is that the clinical development of PGN-EDO53 will commence with a single ascending dose study in healthy normal volunteers, and that this will be followed by studies in DMD patients who are amenable to an exon 53-skipping therapeutic approach.

Additional Discovery Programs

PGN-EDO45 and PGN-EDO44

We have active discovery programs focused on expanding our pipeline in DMD and in neuromuscular diseases. We are screening oligonucleotides for the treatment of DMD patient populations with mutations that are amenable to exon skipping approaches other than exon 51 and exon 53. Our initial discovery work is focused on selection of oligonucleotides for our exon 45- and exon 44-skipping product candidates, with these patient subpopulations representing 8% and 6% of the total DMD patient population, respectively. We anticipate nominating candidates for our PGN-EDO45 and PGN-EDO44 programs in the second half of 2022. For these programs, we expect to utilize a similar preclinical developmental path as for PGN-EDO53, further demonstrating the rapid portfolio augmentation capabilities of our EDO platform, and we have initiated an *in*

vitro screen in patient cells for both PGN-EDO45 and PGN-EDO44. Furthermore, we also intend to leverage the same EDO peptide as has been utilized in our existing pipeline programs.

We project that our screening cascade will allow for the rapid development and translation of our pipeline product candidates.

Expanding the Application and Scope of Our EDO Platform

New indications with PMO therapeutics

We intend to apply our deep understanding of our EDO platform and PMO therapeutics to the development of additional product candidates in other indications. We believe that the ability of our EDO peptides to deliver exon skipping therapeutics to muscle cells, including cardiac muscle cells, as well as to the CNS, is largely independent of the exact sequence of the ASO. As such, by leveraging the preclinical data we have previously obtained and the "plug-and-play" nature of our EDO platform, and by assessing alternative routes of administration, including intrathecal, we believe that we are well-positioned to develop additional product candidates that have the potential to drive clinically relevant therapeutic outcomes in other neuromuscular indications as well as in neurologic indications. We have observed the potential of this approach with our PGN-EDO53 program, where we anticipate moving from concept through to NHP study initiation in less than a year.

New cargos

We believe that our EDO technology has the potential to facilitate the delivery of multiple oligonucleotide therapeutics. To date, our efforts have primarily focused on the delivery of PMOs, but we are now actively pursuing the expansion of our cargo scope to other nucleic acid species.

New peptide technologies

We intend to further establish our expertise and competitive position in the field of oligonucleotide delivery through the ongoing research and development of new peptides. We will leverage our deep expertise in this field to design new peptides that target specific tissue types, and will seek to further optimize the tissue and cellular delivery of our EDO platform.

Manufacturing

We do not own or operate manufacturing facilities, and currently rely on third-party contract manufacturing organizations, or CMOs, and suppliers for the cell-penetrating peptide, linker and oligonucleotide

components that compromise our EDOs, and for the conjugation of our product candidates as well as for the manufacturing of the finished dosage form (sterile injectable drug product). We anticipate that we will continue to utilize third-party CMOs and suppliers to support our ongoing and future preclinical, clinical and commercial activities, and our intention is to build this network of organizations as we scale our manufacturing requirements. Long-term, we may also decide to establish internal manufacturing of our drugs or selected intermediates.

We believe that there are multiple sources for all raw materials employed in the manufacturing of our EDO therapeutics, and we believe that several CMOs are able to assemble either the peptide intermediate, the linker, and/or the oligonucleotide as well as the final API.

There are extensive regulations that govern the manufacturing of biopharmaceutical products, and the third-party manufacturing organizations we work with are required to adhere to these. Our CMOs are required to manufacture our product candidates under current Good Manufacturing Practice, or cGMP, requirements, alongside other applicable laws and regulations.

Competition

The biopharmaceutical industry is characterized by the rapid evolution and development of new technologies, leading to an environment that is intensely competitive in nature and thus supports the robust protection and defense of intellectual property. Any EDO product candidates that we successfully develop and commercialize will compete both with existing therapeutics, and with new approaches that may arise in the future. While we believe that our unique EDO platform and extensive expertise in oligonucleotide delivery may provide us with a differentiated position in the neuromuscular and neurologic spaces, such competing technologies may arise from many different sources, including large biopharmaceutical organizations, specialty pharmaceutical and biotechnology companies, academic institutions, government agencies, and public and private research organizations.

We expect to face competition from existing products and product candidates in development for each of our programs. Currently, patients with DMD are treated with corticosteroids to manage the inflammatory component of the disease. EMFLAZA (deflazacort) is an FDA-approved corticosteroid marketed by PTC Therapeutics, Inc., or PTC. Individuals with DMD also use prednisone or prednisolone off-label. In addition, there are four FDA-approved exon skipping drugs: EXONDYS 51 (Eteplirsen), VYONDYS 53 (Golodirsen) and AMONDYS 45 (Casimersen), which are naked PMOs approved for the treatment of DMD patients amenable to exon 51, exon 53 and exon 45 skipping, respectively, and are marketed by Sarepta Therapeutics, Inc., or Sarepta, and VILTEPSO (Viltolarsen), a naked PMO approved for the treatment of DMD patients amenable to exon 53 skipping, which is marketed in the U.S. by NS Pharma, Inc. Companies focused on developing treatments for DMD that target dystrophin, as our DMD program does, include PTC with ataluren, a small molecule targeting nonsense mutations in a Phase 3 clinical trial, Sarepta with SRP-5051, a peptide-linked PMO currently being evaluated in a Phase 2b clinical trial for patients amenable to exon 51 skipping, Daiichi Sankyo Company, Limited with DS-5141b, a Phase 2 exon skipping approach for Exon 45, Dyne Therapeutics, Inc., or Dyne, with DYN-251, an antibody-conjugated PMO that targets exon 51 skipping in preclinical development, BioMarin Pharmaceutical Inc. with BMN-351, a phosphorothioate oligonucleotide that targets exon 51 skipping, Wave Life Sciences Ltd. with WVE-N531, a stereopure oligonucleotide in Phase 1/2 clinical development for patients amenable to exon 53 skipping, Nippon Shinyaku with NS-089/NCNP-02, an oligonucleotide that targets exon 44 skipping that is currently in clinical development, Avidity Biosciences, Inc., or Avidity, which is in preclinical development with AOC 1044, an antibody oligonucleotide conjugate that targets Exon 44 skipping, and Entrada Therapeutics, Inc., which is in preclinical development with ENTR-601-44, a peptide-oligonucleotide conjugate that targets Exon 44 skipping.

In addition, several companies are developing gene therapies to treat DMD, including Pfizer Inc. (PF-06939926), currently being evaluated in a Phase 3 clinical trial, Sarepta (SRP-9001 and Galgt2 gene therapy program), with the former currently being evaluated in a Phase 3 clinical trial, Solid Biosciences Inc. (SGT-001),

currently in Phase 2 clinical development, and REGENXBIO Inc (RGX-202), currently in Phase 1 clinical development. Astellas Gene Therapies is using AAV gene therapy approaches to skip exons in the dystrophin gene. Gene editing treatments that are in preclinical development are also being pursued by Vertex Pharmaceuticals Incorporated, or Vertex, Sarepta and Eli Lilly and Company. We are also aware of several companies targeting non-dystrophin mechanisms for the treatment of DMD, including Edgewise Therapeutics with EDG-5506, a muscle stabilizer that is currently in clinical development.

There are currently no approved therapies to treat the underlying cause of DM1. Product candidates currently in development to treat DM1 include: tideglusib, a GSK3-ß inhibitor in late-stage clinical development by AMO Pharma Ltd. for the congenital phenotype of DM1; AOC 1001, an antibody linked siRNA in Phase 1/2 clinical development by Avidity Biosciences, Inc.; AT466, which is an AAV-antisense candidate in preclinical development by Astellas Gene Therapies; DYN-101, an antibody conjugated antisense oligonucleotide in preclinical development by Dyne; a microRNA small molecule approach by Arthex Biotech S.L.; an antisense peptide nucleic acid approach by NeuBase Therapeutics, Inc. currently in preclinical development; gene editing treatments in preclinical development by Vertex; an artificial site-specific RNA endonuclease gene therapy being developed by Enzerna Biosciences Inc.; an RNA-targeting gene therapy in preclinical development by Locana, Inc.; an approach by Design Therapeutics, Inc. to prevent formation of CUG hairpins; an approach utilizing the interaction of small molecules with RNA in preclinical development by Expansion Therapeutics, Inc.; a peptide conjugated PMO in preclinical development by Entrada Therapeutics; and therapeutics based on biomolecular condensate biology in preclinical development by Dewpoint Therapeutics, Inc.

We will also compete more generally with other companies developing alternative scientific and technological approaches, including other companies working to develop conjugates with oligonucleotides for extra-hepatic delivery, including Alnylam Pharmaceuticals, Inc., Aro Biotherapeutics Co, Arrowhead Pharmaceuticals, Inc., Avidity, Dicerna Pharmaceuticals, Inc., Dyne, Entrada Therapeutics, Inc., Ionis Pharmaceuticals, Inc., NeuBase Therapeutics, Inc., PYC Therapeutics Limited and Sarepta, as well as gene therapy and gene editing approaches.

Many of the companies against which we compete with or may compete with in the future have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. Accordingly, our competitors may be more successful than us in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining approval for treatments and achieving widespread market acceptance, rendering our treatments obsolete or non-competitive.

Additionally, mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller and other early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

If we successfully obtain approval for any product candidate, we will face competition based on many different factors, including the safety and effectiveness of our products, the ease with which our products can be administered and the extent to which patients accept relatively new routes of administration, the timing and scope of regulatory approvals for these products, the availability and cost of manufacturing, marketing and sales capabilities, price, reimbursement coverage and patent position. Competing products could present superior treatment alternatives, including by being more effective, safer, more convenient, less expensive or marketed and sold more effectively than any of our products, if approved. Competitive products or technological approaches may make any products we develop, or our EDO platform, obsolete or noncompetitive before we recover the expense of developing and commercializing our product candidates. If we are unable to compete effectively, our opportunity to generate revenue from the sale of our products, if approved, could be adversely affected.

Sales and Marketing

We currently do not have a commercial infrastructure in any geography. As we progress our programs through development, we may build a commercial infrastructure in the United States and selected other territories to support the commercialization of each of our product candidates when we believe a regulatory approval in a particular territory is likely. We intend to conduct market research in connection with designing our commercialization strategy for each of our product candidates, which strategy may depend on the size and geographic dispersion of the target patient population and the characteristics of the prescribing audience for our products, if approved. For example, certain of our product candidates that target diseases with a limited patient population, a concentrated prescribing audience and a small number of key opinion leaders who influence the treatments prescribed for the relevant patient population, we may address each such market using our own targeted, specialty sales and marketing organization supported by internal sales personnel, an internal marketing group and distribution support. For other product candidates, we may establish a larger and more dispersed salesforce, or seek strategic collaborations to support our commercialization efforts.

We intend to evaluate our commercialization strategy as we advance each product candidate through clinical development. In any core markets outside of the United States that we may identify, where appropriate, we may utilize strategic partners, distributors or contract sales forces to expand the commercial availability of our product candidates.

Material Contracts

License of Technology Agreement with Oxford University Innovation Limited and Medical Research Council as Part of United Kingdom Research and Innovation

On March 26, 2018, we, through our wholly-owned subsidiary PepGen Limited, entered into a license agreement, or the OUI/MRC License, with Oxford University Innovation Limited, or OUI, and Medical Research Council as Part of United Kingdom Research and Innovation, or MRC. We amended the OUI/MRC License on December 21, 2018, and subsequently amended and restated it on November 23, 2020.

Pursuant to the OUI/MRC License, we obtained from OUI and MRC an exclusive, royalty-bearing, sublicensable with consent (through one tier) license under certain patent rights, or the OUI/MRC Patents, and data, or the OUI/MRC Licensed Technology, and a nonexclusive, royalty-bearing, sublicensable (through one tier) license under certain know-how, or the OUI/MRC Know-How, for certain biological and chemical compounds, including compounds that comprise amino acids and/or nucleic acids relating to our EDO peptides, proprietary linkers and the resulting EDO conjugates. The Licensed Technology is incorporated in our product candidates PGN-EDO51, PGN-EDODM1, PGN-EDO53, PGN-EDO45 and PGN-EDO44, and will likely be utilized in future discovery programs. Under such licenses, we have the right to make, have made, import, use, sell, offer for sale, market, research, develop, trial, register, modify, enhance, improve, manufacture, have manufactured, hold, keep, formulate, optimize, have used, export, transfer, distribute, promote, have sold, dispose of, offer to dispose of or otherwise exploit in all fields of use on a worldwide basis any products or services that incorporate or otherwise utilize the OUI/MRC Licensed Technology or, in each such case, an OUI/MRC Licensed Product. We granted OUI, and those persons who at any time work or have worked on the OUI/MRC Licensed Technology and OUI/MRC Know-How, and MRC an irrevocable, perpetual, royalty-free, sublicensable license under the OUI/MRC Licensed Technology and OUI/MRC Know-How to use the OUI/MRC Licensed Technology and OUI/MRC Know-How for non-commercial clinical, research, teaching, publication, or other scholarly purposes, or Non-Commercial Purposes. MRC also retained the right to grant sublicenses under our rights in the OUI/MRC Licensed Technology and OUI/MRC Know-How for Non-Commercial Purposes to any person at MRC or any academic or not-for-profit institutions who have worked or collaborated on, or otherwise funded, the OUI/MRC Licensed Technology or OUI/MRC Know-How. Further, OUI, MRC and the Chancellor, Masters and Scholars of the University of Oxford retained the right to freely use, publish (subject to certain obligations) or grant licenses under the OUI/MRC Know-How.

The OUI/MRC License requires us to use commercially reasonable efforts to exploit the OUI/MRC Licensed Technology and to achieve certain development milestones in accordance with a development plan and commercialize the OUI/MRC Licensed Products.

In consideration for the rights conveyed by OUI and MRC under the OUI/MRC License, we were obligated to pay, and have paid, to OUI certain up-front fees in an aggregate amount of approximately £80,000 in connection with the execution of each of the original OUI/MRC License and the amended and restated OUI/MRC License. In addition, we are obligated to pay to OUI sub-single to low, single-digit percentage royalties, or the Royalty Rate, on net sales of any OUI/MRC Licensed Products in excess a of threshold amount between £20 million and £30 million that are commercialized by us. The royalty rate for a given OUI/MRC Licensed Product will decrease a certain percentage following expiration or revocation of the last valid claim of the OUI/MRC Patents covering such OUI/MRC Licensed Product and where there is a product sold by a third party that competes with such OUI/MRC Licensed Product on a country-by-country basis. If we receive any non-royalty payments and royalties in connection with sublicenses or other contracts relating to the OUI/MRC Licensed Technology or OUI/MRC Know-How, we are obligated to pay to OUI, in each instance, a sublicense fee that is from mid single-digit to mid teen percentage depending on the license year in which we execute the sublicense or contract. We are also required to pay certain milestone payments to OUI upon the achievement by us or our sublicensees of specified commercial milestones in an aggregate amount of £100,000 for each OUI/MRC Licensed Product and specified patent procurement milestones in an aggregate amount of £10,000.

In addition, in the event that we are acquired or undergo an initial public offering, or Exit Event, we are obligated to pay OUI an exit fee, or Exit Fee, equal to a percentage of the value of the Exit Event. In lieu of paying the Exit Fee, we have the option to pay OUI a buy out fee, or Exit Buy Out Fee, which can be paid at any time to release us from our obligation to pay the Exit Fee. In connection with this offering, we have agreed to pay the amount of £ in satisfaction of these obligations. We are not obligated to make any payments to MRC directly under the OUI/MRC License. Rather, OUI is obligated to pay MRC a percentage of all amounts we pay to OUI, subject to certain exclusions. As of December 31, 2021, we paid an aggregate amount of £80,000 under the OUI/MRC License.

Unless earlier terminated, the OUI/MRC License will terminate in its entirety upon the later of (a) the date on which all patents and patent applications licensed to us under the OUI/MRC License have been abandoned or allowed to lapse or expired or been rejected or revoked without a right of further appeal in a relevant country or territory or (b) March 26, 2038. The last-to-expire licensed patent under the OUI/MRC License is set to expire on February 11, 2042. We may terminate the OUI/MRC License in its entirety at any time after November 23, 2023 for convenience upon providing OUI and MRC with written notice. Either party may terminate the OUI/MRC License in its entirety for the other party's uncured material breach after an opportunity for the other party to cure such material breach. OUI and MRC may terminate the OUI/MRC License for our (a) insolvency or if we challenge the validity of the licensed patents, (b) breach our obligation to develop and exploit the technology in accordance with the development plan and subsequent failure to take remedial action reasonably requested by OUI and/or MRC or (c) failure to pay the Exit Fee or Exit Buy Out Fee. If the OUI/MRC License is terminated by either party for any reason, the OUI/MRC Licenses will terminate and all rights thereunder will revert to OUI and MRC, respectively.

Intellectual Property

We seek to protect the intellectual property, or IP, and proprietary technology that we consider important to our business, including by pursuing patent applications that cover our product candidates and methods of using the same, as well as any other relevant inventions and improvements that are considered commercially important to the development of our business. We likewise seek to protect the IP to which we obtain rights through licenses and sublicenses (e.g., from universities and research institutions) and work collaboratively with our licensors to ensure (and if possible be the driver of) patent prosecution and protection. We also rely on trade secrets, know-how and continuing technological innovation to develop and maintain our

proprietary and IP positions. Our commercial success depends, in part, on our ability to obtain, maintain, enforce and protect our intellectual property and other proprietary rights for the technology, inventions and improvements we consider important to our business, and to defend any patents we may own or in-license in the future, prevent others from infringing any patents we may own or in-license in the future, preserve the confidentiality of our trade secrets, and operate without infringing, misappropriating or otherwise violating the valid and enforceable patents and proprietary rights of third parties.

As with other biotechnology and pharmaceutical companies, our ability to maintain and solidify our proprietary and intellectual property position(s) for our product candidates and technologies will depend on our success in obtaining effective patent claims and enforcing those claims if granted. However, our pending provisional and Patent Cooperation Treaty, or PCT, patent applications, and any patent applications that we may in the future file or license from third parties, may not result in the issuance of patents and any issued patents we may obtain do not guarantee us the right to protect our technology in relation to the commercialization of our products. We also cannot predict the breadth of claims that may be allowed or enforced in any patents we may own or in-license in the future. Notwithstanding the scope of the patent protection available to us, a competitor could develop competitive products that are not covered by our intellectual property, and we may be unable to stop such competitor from commercializing such products.

Any issued patents that we may own or in-license in the future may be challenged, invalidated, circumvented or have the scope of their claims narrowed. Because patent applications can take many years to issue, there may be applications unknown to us, which applications may later result in issued patents that our existing or future products or technologies may be alleged to infringe. Additionally, we cannot be certain of the priority of inventions covered by pending third-party patent applications. If third parties prepare and file patent applications in the United States that also claim technology or therapeutics to which we have rights, we may have to participate in interference proceedings in the United States Patent and Trademark Office, or USPTO, to determine priority of invention, which is highly unpredictable and which could result in substantial costs, even if the eventual outcome is favorable to us. In addition, because of the extensive time required for clinical development and regulatory review of a product candidate we may develop, it is possible that, before any of our product candidates can be commercialized, any patent covering a certain product may expire or remain in force for only a short period following commercialization, thereby limiting the protection such patent would afford the respective product and any competitive advantage such patent may provide.

The term of individual patents depends upon the date of filing of the patent application, the date of patent issuance and the legal term of patents in the countries in which they are obtained. In most countries, including the United States, the patent term is 20 years from the earliest filing date of a non-provisional patent application. In the United States, a patent's term may be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the USPTO in examining and granting a patent, or may be shortened if a patent is terminally disclaimed over an earlier expiring patent.

The term of a patent claiming a new drug product may also be eligible for a limited patent term extension when FDA approval is granted, provided statutory and regulatory requirements are met. The restoration period granted on a patent covering a product is typically one-half the time between the effective date of a clinical investigation involving human beings is begun and the submission date of an application, plus the time between the submission date of an application and the ultimate approval date. The restoration period cannot be longer than five years and the total patent term, including the restoration period, must not exceed 14 years following FDA approval. Only one patent applicable to an approved product is eligible for the extension, and only those claims covering the approved product, a method for using it, or a method for manufacturing it may be extended. Additionally, the application for the extension must be submitted prior to the expiration of the patent in question. A patent that covers multiple products for which approval is sought can only be extended in connection with one of the approvals. The USPTO reviews and approves the application for any patent term extension or restoration in consultation with the FDA. In the future, if our product candidates receive approval by the FDA, we expect to apply for patent term extensions on any issued patents covering those products, depending upon the length of the clinical studies for each product and other factors.

There can be no assurance that our pending provisional or PCT patent applications will issue or that we will benefit from any patent term extension or favorable adjustments to the terms of any patents we may own or in-license in the future. In addition, the actual protection afforded by a patent varies on a product-by-product basis, from country-to-country, and depends upon many factors, including the type of patent, the scope of its coverage, the availability of regulatory-related extensions, the availability of legal remedies in a particular country and the validity and enforceability of the patent. Patent term may be inadequate to protect our competitive position on our products for an adequate amount of time.

In the future, we may need to engage in litigation to enforce patents issued or licensed to us, to protect our trade secrets or know-how or to defend against claims of infringement of the rights of others. Litigation could be costly and could divert our attention from other functions and responsibilities. Furthermore, even if our patents are found to be valid and infringed, a court may refuse to grant injunctive relief against the infringer and instead grant us monetary damages and/or ongoing royalties. Such monetary compensation may be insufficient to adequately offset the damage to our business caused by the infringer's competition in the market. Adverse determinations in litigation could subject us to significant liabilities to third parties, could require us to seek licenses from third parties and pay significant royalties to such third parties and could prevent us from manufacturing, selling or using our product or techniques, any of which could severely harm our business.

As of March 31, 2022, we owned one pending U.S. patent application and two pending PCT international applications, and exclusively licensed one issued patent (a European patent validated in France, Germany, Italy, Spain, and Great Britain) and 55 patent applications under our PepGen Limited subsidiary's license with Oxford University Innovation Limited, or OUI, and Medical Research Council of United Kingdom Research and Innovation, or MRC. For more information regarding our license agreement with OUI and MRC, or OUI/MRC License, see the section titled "Business—Licensing Agreements."

The issued patent and patent applications that cover our product candidates and technology include:

- With respect to PGN-EDO51, we own one pending U.S. patent application and one pending PCT international application that cover methods of use and exclusively licensed 32 pending patent applications under the OUI/MRC License that cover compositions of matter and methods of use, including applications in Australia, Brazil, Canada, China, Europe, Hong Kong, Israel, India, Japan, South Korea, Mexico, the Russian Federation, Saudi Arabia, and the United States, as well as two PCT international applications. Any patents issuing from the patent applications would have expiration dates ranging from 2039 to 2042, without accounting for any available patent term adjustments or extensions.

- With respect to PGN-EDODM1, we owned one pending PCT international patent application that covers methods of use and exclusively licensed 42 pending patent applications under the OUI/MRC License that cover compositions of matter and methods of use, including applications in Australia, Brazil, Canada, China, Europe, Hong Kong, Israel, India, Japan, South Korea, Mexico, the Russian Federation, Saudi Arabia, and the United States. Any patents issuing from the patent applications would have expiration dates ranging from 2039 to 2042, without accounting for any available patent term adjustments or extensions.

- With respect to PGN-EDO53, we exclusively licensed 30 pending patent applications under the OUI/MRC License that cover compositions of matter and methods of use, including applications in Australia, Brazil, Canada, China, Europe, Hong Kong, Israel, India, Japan, South Korea, Mexico, the Russian Federation, Saudi Arabia, and the United States. Any patents issuing from the patent applications would expire in 2039, without accounting for any available patent term adjustments or extensions.

- With respect to our EDO platform, we exclusively licensed one issued European patent and 41 pending patent applications under the OUI/MRC License that cover compositions of matter and

methods of use, including applications in Australia, Brazil, Canada, China, Europe, Hong Kong, Israel, India, Japan, South Korea, Mexico, the Russian Federation, Saudi Arabia, and the United States. The issued European patent is expected to expire in 2035, without accounting for any available patent term adjustments or extensions. The issued European patent was validated in France, Germany, Italy, Spain, and Great Britain, and it relates to certain compositions of matter and uses that may be utilized during future platform development activities. Any patents issuing from the patent applications would have expiration dates ranging from 2035 to 2039, without accounting for any available patent term adjustments or extensions.

Government Regulation

The FDA and comparable regulatory authorities in state and local jurisdictions and in other countries impose requirements upon companies involved in the clinical development, manufacture, marketing and distribution of drugs, such as those we are developing. These agencies and other federal, state and local entities regulate, among other things, the research and development, testing, manufacture, quality control, safety, effectiveness, labeling, storage, record keeping, approval, advertising and promotion, distribution, post-approval monitoring and reporting, sampling and export and import of drugs.

U.S. Government Regulation of Drug Products

In the United States, the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act, or FDCA, and its implementing regulations. The process of obtaining regulatory approvals and the subsequent compliance with applicable federal, state, local and foreign statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or after approval, may subject an applicant to a variety of administrative or judicial sanctions, such as the FDA's refusal to approve pending New Drug Applications, or NDAs, withdrawal of an approval, imposition of a clinical hold, issuance of warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement or civil or criminal penalties.

The process required by the FDA before a drug may be marketed in the United States generally involves the following:

- Completion of preclinical laboratory tests, animal studies and formulation studies in compliance with the FDA's good laboratory practice, or GLP, regulations;
- Submission to the FDA of an investigational new drug application, or IND, which must become effective before human clinical trials may begin;
- Approval by an independent institutional review board, or IRB, at each clinical site before each trial may be initiated;
- Performance of adequate and well-controlled human clinical trials in accordance with Good Clinical Practices, or GCP, requirements to establish the safety and efficacy of the proposed drug product for each proposed indication;
- Submission to the FDA of an NDA after completion of all pivotal trials, together with the payment of application user fees, as applicable;
- A determination by the FDA within 60 days of its receipt of an NDA to accept the marketing application for review;
- Satisfactory completion of an FDA advisory committee review, if applicable;

- Satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the product is produced to assess compliance with current good manufacturing practice, or cGMP, requirements and to assure that the facilities, methods and controls are adequate to preserve the product's identity, strength, quality and purity;

- Satisfactory completion of FDA audits of clinical trial sites to assure compliance with GCPs and the integrity of the clinical data; and

- FDA review and approval of the NDA.

Preclinical Studies

Before testing any drug product candidate, including our product candidates, in humans, the product candidate must undergo rigorous preclinical testing. Preclinical studies include laboratory evaluation of product chemistry, toxicity and formulation, as well as *in vitro* and animal studies to assess potential safety and efficacy. The conduct of preclinical studies is subject to federal regulations and requirements, including good laboratory practice regulations for safety/toxicology studies.

Prior to beginning the first clinical trial with a product candidate in the United States, we must submit an IND to the FDA. An IND sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data and any available clinical data or literature and plans for clinical studies, among other things, to the FDA as part of an IND. An IND is a request for authorization from the FDA to administer an investigational product to humans and must become effective before human clinical trials may begin. Some preclinical testing, such as animal tests of reproductive adverse events and carcinogenicity, may continue even after the IND is submitted. An IND automatically becomes effective 30 days after receipt by the FDA, unless before that time the FDA raises concerns or questions related to one or more proposed clinical trials and places the clinical trial on a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. As a result, submission of an IND may not result in the FDA allowing clinical trials to initiate.

Clinical Trials

Clinical trials involve the administration of the investigational new drug to human subjects under the supervision of qualified investigators in accordance with GCP requirements, which include the requirement that all research subjects provide their informed consent in writing for their participation in any clinical trial. Clinical trials are conducted under protocols detailing, among other things, the objectives of the trial, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. A protocol for each clinical trial and any subsequent protocol amendments must be submitted to the FDA as part of the IND. In addition, an IRB representing each institution participating in the clinical trial must review and approve the plan for any clinical trial before it is initiated at that institution. An IRB is charged with protecting the welfare and rights of trial participants and considers such items as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB also must review and approve the informed consent form that must be provided to each clinical trial subject or his or her legal representative, and must monitor the clinical trial until completion.

Regulatory authorities, the IRB or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the subjects are being exposed to an unacceptable health risk or that the trial is unlikely to meet its stated objectives. Some studies also include oversight by an independent group of qualified experts organized by the clinical study sponsor, known as a data safety monitoring board, which provides authorization for whether or not a study may move forward at designated check points based on access to certain data from the study and may halt the clinical trial if it determines that there is an unacceptable safety risk for subjects or other grounds, such as no demonstration of efficacy.

Information about certain clinical trials must be submitted within specific timeframes to the National Institutes of Health, or NIH, for public dissemination on their www.clinicaltrials.gov website. Information related to the product, patient population, phase of investigation, study sites and investigators and other aspects of the clinical trial is made public as part of the registration of the clinical trial. Although sponsors are obligated to disclose the results of their clinical trials after completion, disclosure of the results can be delayed in some cases for some time. Failure to timely register a covered clinical study or to submit study results as provided for in the law can give rise to civil monetary penalties and also prevent the non-compliant party from receiving future grant funds from the federal government.

Human clinical trials are typically conducted in three sequential phases, which may overlap or be combined:

- Phase 1: The drug is initially introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion and, if possible, to gain an early indication of its effectiveness.

- Phase 2: The drug is administered to a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance and optimal dosage.

- Phase 3: The drug is administered to an expanded patient population, generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to statistically evaluate the efficacy and safety of the product for approval, to establish the overall risk-benefit profile of the product, and to provide adequate information for the labeling of the product. Generally, two adequate and well-controlled Phase 3 clinical trials are required by the FDA for approval of an NDA.

Post-approval trials, sometimes referred to as Phase 4 clinical trials, may be conducted after initial marketing approval. These trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication. In certain instances, the FDA may mandate the performance of Phase 4 clinical trials as a condition of approval on an NDA.

Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA and more frequently if serious adverse events occur. Written IND safety reports must be submitted to the FDA and investigators for serious and unexpected suspected adverse events, findings from other studies or animal or *in vitro* testing that suggest a significant risk for human subjects and any clinically important increase in the rate of a serious suspected adverse reaction over that listed in the protocol or investigator brochure. The sponsor must submit an IND safety report within 15 calendar days after the sponsor determines that the information qualifies for reporting. The sponsor also must notify the FDA of any unexpected fatal or life-threatening suspected adverse reaction within seven calendar days after the sponsor's initial receipt of the information.

NDA Submission and FDA Review and Approval

Assuming successful completion of the required clinical testing, the results of the preclinical and clinical studies, together with detailed information relating to the product's chemistry, manufacture, controls and proposed labeling, among other things, are submitted to the FDA as part of an NDA requesting approval to market the product for one or more indications. Data may come from company-sponsored clinical trials intended to test the safety and effectiveness of a use of a product, or from a number of alternative sources, including studies initiated by investigators. To support marketing approval, the data submitted must be sufficient in quality and quantity to establish the safety and effectiveness of the investigational drug product for the proposed indication to the satisfaction of the FDA. In most cases, the submission of an NDA is subject to a substantial application user fee; a waiver of such fees may be obtained under certain limited circumstances.

The FDA conducts a preliminary review of all NDAs within the first 60 days after submission, before accepting them for filing, to determine whether they are sufficiently complete to permit substantive review. The FDA may request additional information rather than accept an NDA for filing. In this event, the application must be resubmitted with the additional information. The resubmitted application is also subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review. The FDA reviews an NDA to determine, among other things, whether the drug is safe and effective and whether the facility in which it is manufactured, processed, packaged or held meets standards designed to assure the product's continued safety, quality and purity.

Under the Prescription Drug User Fee Act, or PDUFA, guidelines that are currently in effect, the FDA has a goal of ten months from the date of "filing" of a standard NDA, for a new molecular entity to review and act on the submission, and six months from the filing date of a new molecular entity NDA with priority review. Accordingly, this review process typically takes 12 months and eight months, respectively from the date the NDA is submitted to the FDA. The FDA does not always meet its PDUFA goal dates for standard or priority NDAs, and the review process is often extended by FDA requests for additional information or clarification. The FDA reviews an NDA to determine, among other things, whether the drug is safe and effective and whether the facility in which it is manufactured, processed, packaged or held meets standards designed to assure the product's continued safety, quality and purity.

In addition, under the Pediatric Research Equity Act of 2003, or PREA, as amended, certain NDAs or supplements to an NDA must contain data that are adequate to assess the safety and effectiveness of the drug for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements. A sponsor who is planning to submit a marketing application for a drug that includes a new active ingredient, new indication, new dosage form, new dosing regimen or new route of administration must submit an initial Pediatric Study Plan, or PSP, within 60 days of an end-of-Phase 2 meeting or, if there is no such meeting, as early as practicable before initiation of the Phase 3 or Phase 2/3 study. The initial PSP must include an outline of the pediatric study or studies that the sponsor plans to conduct, including study objectives and design, age groups, relevant endpoints and statistical approach, or a justification for not including such detailed information, and any request for a deferral of pediatric assessments or a full or partial waiver of the requirement to provide data from pediatric studies along with supporting information. The FDA and the sponsor must reach an agreement on the PSP. A sponsor can submit amendments to an agreed-upon initial PSP at any time if changes to the pediatric plan need to be considered based on data collected from preclinical studies, early phase clinical trials and/or other clinical development programs.

The FDA may refer an application for a novel drug or a drug that presents difficult questions of safety or efficacy to an advisory committee. An advisory committee is a panel of independent experts, including clinicians and other scientific experts, which reviews, evaluates and provides a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

The FDA also may require the submission of a Risk Evaluation and Mitigation Strategy, or REMS, if it determines that a REMS is necessary to ensure that the benefits of the drug outweigh its risks and to assure the safe use of the drug. A REMS may include one or more elements, including medication guides, physician communication plans, patient package insert and/or elements to assure safe use, such as restricted distribution methods, patient registries or other risk minimization tools. The FDA determines the requirement for a REMS, as well as the specific REMS provisions, on a case-by-case basis. If the FDA concludes a REMS is needed, the sponsor of the NDA must submit a proposed REMS. The FDA will not approve the NDA without a REMS, if required.

Before approving an NDA, the FDA typically will inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving an NDA, the FDA may inspect one or more clinical trial sites to assure compliance with GCP requirements.

After evaluating the NDA and all related information, including the advisory committee recommendation, if any, and inspection reports regarding the manufacturing facilities and clinical trial sites, the FDA may issue an approval letter, or, in some cases, a Complete Response Letter. A Complete Response Letter indicates that the review cycle of the application is complete, and the application will not be approved in its present form. A Complete Response Letter generally outlines the deficiencies in the submission and contains a statement of specific conditions that must be met in order to secure final approval of the NDA; it may require additional clinical or preclinical testing in order for FDA to reconsider the application. If a Complete Response Letter is issued, the applicant may either resubmit the NDA, addressing all of the deficiencies identified in the letter, or withdraw the application. Even with submission of this additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If and when those conditions have been met to the FDA's satisfaction, the FDA will typically issue an approval letter. An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications.

Even if the FDA approves a product, it may limit the approved indications for use of the product, require that contraindications, warnings or precautions be included in the product labeling, require that post-approval studies, including Phase 4 clinical trials, be conducted to further assess a drug's safety after approval, require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution and use restrictions or other risk management mechanisms under a REMS, which can materially affect the potential market and profitability of the product. The FDA may prevent or limit further marketing of a product based on the results of post-marketing studies or surveillance programs. After approval, some types of changes to the approved product, such as adding new indications, manufacturing changes, and additional labeling claims, are subject to further testing requirements and FDA review and approval.

Orphan Drug Designation and Exclusivity

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug product intended to treat a rare disease or condition, which is generally a disease or condition that affects either (i) fewer than 200,000 individuals in the United States, or (ii) more than 200,000 individuals in the United States and for which there is no reasonable expectation that the cost of developing and making the product available in the United States for this type of disease or condition will be recovered from sales of the product. A company must request orphan drug designation before submitting an NDA. If the request is granted, the FDA will disclose the identity of the therapeutic agent and its potential use. Orphan drug designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If a product with orphan status receives the first FDA approval for the disease or condition for which it has such designation or for a select indication or use within the rare disease or condition for which it was designated, the product is entitled to orphan product exclusivity. Orphan product exclusivity means that the FDA may not approve any other applications to market the same product for the same indication for seven years, except in certain limited circumstances. Orphan exclusivity will not bar approval of another product under certain circumstances, including if a subsequent product with the same active ingredient for the same indication is shown to be clinically superior to the approved product on the basis of greater efficacy or safety, or providing a major contribution to patient care, or if the company with orphan drug exclusivity is not able to meet market demand. Further, the FDA may approve more than one product for the same orphan indication or disease as long as the products contain different active ingredients. Moreover, competitors may receive approval of different products for the indication for which the orphan product has exclusivity or obtain approval for the same product but for a different indication for which the orphan drug has exclusivity. Other benefits of orphan drug designation include tax credits for certain research and waiver from the NDA application fee.

A designated orphan drug many not receive orphan drug exclusivity if it is approved for a use that is broader than the indication for which it received orphan designation. In addition, orphan drug exclusive marketing rights in the United States may be lost if the FDA later determines that the request for designation was materially defective or, as noted above, if a second applicant demonstrates that its product is clinically superior to the approved product with orphan exclusivity or the manufacturer of the approved product is unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition.

Expedited Development and Review Programs

The FDA maintains several programs intended to facilitate and expedite development and review of new drugs to address unmet medical needs in the treatment of serious or life-threatening diseases or conditions. These programs include Fast Track designation, Breakthrough Therapy designation, Priority Review and Accelerated Approval, and the purpose of these programs is to either expedite the development or review of important new drugs to get them to patients earlier than under standard FDA development and review procedures.

The FDA has a Fast Track designation program that is intended to expedite or facilitate the process for reviewing new drugs that meet certain criteria. Specifically, new drugs are eligible for Fast Track designation if they are intended to treat a serious or life threatening condition and preclinical or clinical data demonstrate the potential to address unmet medical needs for the condition. Fast Track designation applies to both the product and the specific indication for which it is being studied. The sponsor can request that the FDA grant the product Fast Track designation any time before receiving NDA approval, but ideally no later than the pre-NDA meeting. Fast Track designation provides increased opportunities for sponsor interactions with the FDA review team to expedite development and review of the product. The FDA may also review sections of the NDA for a Fast Track designated-product on a rolling basis before the complete application is submitted, if the sponsor provides a schedule for the submission of the sections of the application, the FDA agrees to accept sections of the application and determines that the schedule is acceptable, and the sponsor pays any required user fees upon submission of the first section of the application. Fast Track designation may be lost if the designation is no longer supported by data emerging in the clinical trial process.

Additionally, a drug may be eligible for designation as a breakthrough therapy if the product is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life- threatening condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over currently approved therapies on one or more clinically significant endpoints. The benefits of Breakthrough Therapy designation include the same benefits as Fast Track designation, plus intensive guidance from the FDA to ensure an efficient drug development program. Breakthrough therapy designation comes with all of the benefits of Fast Track designation, which means that the sponsor may file sections of the NDA for review on a rolling basis if certain conditions are satisfied, including an agreement with the FDA on the proposed schedule for submission of portions of the application and the payment of applicable user fees before the FDA may initiate a review.

A product may also be eligible for priority review if it treats a serious or life-threatening condition and, if approved, would provide a significant improvement in safety and effectiveness compared to available therapies. The FDA determines at the time that the marketing application is submitted, on a case-by-case basis, whether the proposed drug represents a significant improvement in treatment, prevention or diagnosis of disease when compared with other available therapies. A priority review designation is intended to direct overall attention and resources to the evaluation of such applications and to shorten the FDA's goal for taking action on a marketing application from ten months to six months for an NDA for a new molecular entity from the date of filing. If criteria are not met for priority review, the application for a new molecular entity is subject to the standard FDA review period of ten months after FDA accepts the application for filing. Priority review designation does not change the scientific/medical standard for approval or the quality of evidence necessary to support approval.

A product may also be eligible for accelerated approval if it treats a serious or life-threatening disease or condition, generally provides a meaningful advantage over available therapies and demonstrates an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, or IMM, that is reasonably likely to predict an effect on IMM or other clinical benefit, taking into account the severity, rarity or prevalence of the condition and the availability or lack of alternative treatments. As a condition of accelerated approval, the FDA generally requires that a sponsor perform adequate and well-controlled post-marketing clinical trials to verify and describe the product's clinical benefit. These confirmatory trials must be completed with due diligence, and, in some cases, the FDA may require that the trial be designed, initiated, and/or fully enrolled prior to approval. Failure to conduct required post-approval studies, or to confirm a clinical benefit during post-marketing studies, would allow the FDA to initiate a process to ultimately withdraw the product from the market (and withdraw its approval). In addition, for products being considered for accelerated approval, the FDA generally requires, unless otherwise informed by the agency, that all advertising and promotional materials intended for dissemination or publication within 120 days of marketing approval be submitted to the agency for review during the pre-approval review period.

Even if a product qualifies for one or more of these programs, the FDA may later decide that the product no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened. Fast Track designation, Breakthrough Therapy designation, priority review and accelerated approval do not change the standards for approval and may not ultimately expedite the development or approval process.

U.S. Non-Patent Exclusivity

Market exclusivity provisions under the FDCA can delay the submission or the approval of certain follow-on applications. The FDCA provides a five-year period of data exclusivity within the United States to the first applicant to gain approval of an NDA for a new chemical entity. A drug is a new chemical entity if the FDA has not previously approved any other new drug containing the same active moiety, which is the molecule or ion responsible for the action of the drug substance. During the exclusivity period, the FDA may not accept for review an Abbreviated New Drug Application, or ANDA, for a generic version of the drug or a 505(b)(2) NDA for another version of such drug where the applicant does not own or have a legal right of reference to all the data required for approval. However, such a follow-on application may be submitted after four years if it contains a certification of patent invalidity or non-infringement to one of the patents listed with the FDA by the innovator NDA holder.

The FDCA also provides three years of market exclusivity for an NDA, 505(b)(2) NDA or supplement to an existing NDA if new clinical investigations, other than bioavailability studies, that were conducted or sponsored by the applicant are deemed by the FDA to be essential to the approval of the application, for example, new indications, dosages or strengths of an existing drug. This three-year exclusivity period covers only the conditions of use associated with the new clinical investigations and does not prohibit the FDA from approving follow-on applications that do not reference the protected clinical data. Five-year and three-year exclusivity will not delay the submission or approval of a full NDA. However, an applicant submitting a full NDA would be required to conduct or obtain a right of reference to all of the preclinical studies and adequate and well-controlled clinical trials necessary to demonstrate safety and effectiveness.

Pediatric exclusivity is another type of regulatory market exclusivity in the United States. Pediatric exclusivity, if granted, adds six months to existing regulatory exclusivity periods or listed patents. This six-month exclusivity may be granted based on the voluntary completion of a pediatric trial in accordance with an FDA-issued "Written Request" for such a trial. The issuance of a Written Request does not require the sponsor to undertake the described clinical trials.

Post-approval Requirements

Drugs manufactured or distributed pursuant to FDA approvals are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements relating to recordkeeping, periodic reporting, product sampling and distribution, advertising and promotion and reporting of adverse experiences with the product. After approval, most changes to the approved product, such as adding new indications or other labeling claims are subject to prior FDA review and approval. There are continuing, annual user fee requirements for any marketed products.

The FDA may impose a number of post-approval requirements as a condition of approval of an NDA. For example, the FDA may require post-marketing testing, including Phase 4 clinical trials, and surveillance to further assess and monitor the product's safety and effectiveness after commercialization.

FDA regulations require that products be manufactured in specific facilities and in accordance with cGMP regulations which require, among other things, quality control and quality assurance, the maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP. In addition, drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are required to register their establishments with the FDA and state agencies, and are subject to periodic unannounced inspections by the FDA and these state agencies for compliance with cGMP requirements. Manufacturers and other parties involved in the drug supply chain for prescription drug products must also comply with product tracking and tracing requirements and for notifying FDA of counterfeit, diverted, stolen and intentionally adulterated products or products that are otherwise unfit for distribution in the United States. Changes to the manufacturing process are strictly regulated and often require prior FDA approval before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP requirements and impose reporting and documentation requirements upon the sponsor and any third-party manufacturers that the sponsor may decide to use. Accordingly, manufacturers must continue to expend time, money, and effort in the area of production and quality control to maintain cGMP compliance. Manufacturers and other parties involved in the drug supply chain for prescription drug products must also comply with product tracking and tracing requirements and for notifying FDA of counterfeit, diverted, stolen and intentionally adulterated products or products that are otherwise unfit for distribution in the United States.

Once an approval of a drug is granted, the FDA may withdraw the approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in mandatory revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical trials to assess new safety risks; or imposition of distribution or other restrictions under a REMS program. Any of these limitations on approval or marketing could restrict the commercial promotion, distribution, prescription or dispensing of products. Other potential consequences include, among other things:

- Restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market or product recalls;
- Fines, warning letters or clinical holds on post-approval clinical trials;
- Refusal of the FDA to approve pending NDAs or supplements to approved NDAs, or suspension or withdrawal of product approvals;
- Product seizure or detention, or refusal to permit the import or export of products;
- Consent decrees, corporate integrity agreements, debarment or exclusion from federal healthcare programs;

- Mandated modification of promotional materials and labeling and the issuance of corrective information;
- Issuance of safety alerts, Dear Healthcare Provider letters, press releases and other communications containing warnings or other safety information about the product; and
- Injunctions or the imposition of civil or criminal penalties.

The FDA strictly regulates marketing, labeling, advertising and promotion of products that are placed on the market. Drugs may be promoted by a manufacturer and any third parties acting on behalf of a manufacturer only for the approved indications and in a manner consistent with the approved label for the product. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability. Failure to comply with these requirements can result in, among other things, adverse publicity, warning letters, corrective advertising and potential civil and criminal penalties. Physicians may prescribe, in their independent professional medical judgment, legally available products for uses that are not described in the product's labeling and that differ from those tested by us and approved by the FDA. Physicians may believe that such off-label uses are the best treatment for many patients in varied circumstances. The FDA does not regulate the behavior of physicians in their choice of treatments. The FDA does, however, restrict manufacturer's communications on the subject of off-label use of their products. The federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined companies from engaging in off-label promotion. The FDA and other regulatory agencies have also required that companies enter into consent decrees and/or imposed permanent injunctions under which specified promotional conduct is changed or curtailed. However, companies may share truthful and not misleading information that is otherwise consistent with a product's FDA-approved labeling.

Healthcare Regulation

Coverage and Reimbursement

Sales of any product depend, in part, on the extent to which such product will be covered by third-party payors, such as federal, state, and foreign government healthcare programs, commercial insurance and managed healthcare organizations, and the level of reimbursement for such product by third-party payors. Decisions regarding the extent of coverage and amount of reimbursement to be provided are made on a plan-by-plan basis. These third-party payors are increasingly reducing coverage and reimbursement for medical products, drugs and services. For products administered under the supervision of a physician, obtaining coverage and adequate reimbursement may be particularly difficult because of the higher prices often associated with such drugs. Additionally, separate reimbursement for the product itself or the treatment or procedure in which the product is used may not be available, which may impact physician utilization.

The U.S. government, state legislatures and foreign governments have also continued implementing cost-containment programs, including price controls, restrictions on coverage and reimbursement and requirements for substitution of generic products. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit sales of any product. Decreases in third-party reimbursement for any product or a decision by a third-party payor not to cover a product could reduce physician usage and patient demand for the product and also have a material adverse effect on sales.

Other Healthcare Laws

Pharmaceutical companies are subject to additional healthcare regulation and enforcement by the federal government and by authorities in the states and foreign jurisdictions in which they conduct their business that

may constrain the financial arrangements and relationships through which we research, as well as sell, market and distribute any products for which we obtain marketing authorization. Such laws include, without limitation, state and federal anti-kickback, fraud and abuse, false claims, and transparency laws and regulations related to drug pricing and payments and other transfers of value made to physicians and other healthcare providers. If our operations are found to be in violation of any of such laws or any other governmental regulations that apply, we may be subject to penalties, including, without limitation, administrative, civil and criminal penalties, damages, fines, disgorgement, the curtailment or restructuring of operations, integrity oversight and reporting obligations, exclusion from participation in federal and state healthcare programs and responsible individuals may be subject to imprisonment.

Healthcare Reform and Legislative Updates

In the United States, in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, each as amended, collectively known as the ACA, was enacted, which substantially changed the way healthcare is financed by both governmental and private insurers, and significantly affected the pharmaceutical industry. The ACA contained a number of provisions, including those governing enrollment in federal healthcare programs, reimbursement adjustments and changes to fraud and abuse laws. For example, the ACA:

- increased the minimum level of Medicaid rebates payable by manufacturers of brand name drugs from 15.1% to 23.1% of the average manufacturer price;
- required collection of rebates for drugs paid by Medicaid managed care organizations;
- required manufacturers to participate in a coverage gap discount program, under which they must agree to offer 70 percent (increased pursuant to the Bipartisan Budget Act of 2018, effective as of January 1, 2019) point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer's outpatient drugs to be covered under Medicare Part D; and
- imposed a non-deductible annual fee on pharmaceutical manufacturers or importers who sell "branded prescription drugs" to specified federal government programs.

Since its enactment, there have been numerous judicial, administrative, executive, and legislative challenges to certain aspects of the ACA. On June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA. Other legislative changes have been proposed and adopted since the ACA was enacted, including aggregate reductions of Medicare payments to providers of 2% per fiscal year, which was temporarily suspended from May 1, 2020 through March 31, 2022 due to the ongoing COVID-19 pandemic. Following the temporary suspension, a 1% payment reduction will occur beginning April 1, 2022 through June 30, 2022, and the 2% payment reduction will resume on July 1, 2022.

Moreover, there has recently been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries, proposed and enacted legislation and executive orders issued by the former Trump administration designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drug products. The likelihood of success of these and other measures initiated by the former Trump administration is uncertain, particularly in light of the new Biden administration. It is also possible that additional governmental action is taken in response to the ongoing COVID-19 pandemic. Individual states in the United States have also become increasingly active in implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and

marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could impact the amounts that federal and state governments and other third-party payors will pay for healthcare products and services.

Data Privacy and Security

Numerous state, federal and foreign laws, regulations and standards govern the collection, use, access to, confidentiality and security of health-related and other personal information, and could apply now or in the future to our operations or the operations of our partners. In the United States, numerous federal and state laws and regulations, including data breach notification laws, health information privacy and security laws and consumer protection laws and regulations govern the collection, use, disclosure, and protection of health-related and other personal information. In addition, certain foreign laws govern the privacy and security of personal data, including health-related data. For example, the GDPR imposes strict requirements for processing the personal data of individuals within the EEA, including requirements relating to processing health-related and other sensitive data, establishing a legal basis for processing such as obtaining consent of the individuals to whom the personal data relates, providing information to individuals regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data, providing notification of data breaches, imposing limitations on retention of personal data; maintaining a record of data processing, complying with the principal of accountability and the obligation to demonstrate compliance through policies, procedures, training and audit and taking certain measures when engaging third-party processors. The GDPR also imposes strict rules on the transfer of personal data to countries outside the EEA to countries that the EU does not consider to have in place adequate data protection legislation, including the United States. Companies that must comply with the GDPR face increased compliance obligations and risk, including more robust regulatory enforcement of data protection requirements and potential fines for noncompliance of up to €20 million or 4% of the annual global revenues of the non-compliant company, whichever is greater. Further, from January 1, 2021, companies have had to comply with the GDPR and also the UK GDPR, which, together with the amended UK Data Protection Act 2018, retains the GDPR in UK national law. The UK GDPR mirrors the fines under the GDPR, i.e. fines up to the greater of €20 million (£17.5 million) or 4% of global turnover. The European Commission has adopted an adequacy decision in favor of the UK, enabling data transfers from EU member states to the UK without additional safeguards. However, the UK adequacy decision will automatically expire in June 2025 unless the European Commission re-assesses and renews/extends that decision, and remains under review by the Commission during this period. In September 2021, the UK government launched a consultation on its proposals for wide-ranging reform of UK data protection laws following Brexit. There is a risk that any material changes which are made to the UK data protection regime could result in the European Commission reviewing the UK adequacy decision, and the UK losing its adequacy decision if the European Commission deems the UK to no longer provide adequate protection for personal data. Privacy and security laws, regulations, and other obligations are constantly evolving, may conflict with each other to complicate compliance efforts, and can result in investigations, proceedings, or actions that lead to significant civil and/or criminal penalties and restrictions on data processing.

Brexit and the Regulatory Framework in the United Kingdom

On June 23, 2016, the electorate in the United Kingdom voted in favor of leaving the EU, commonly referred to as Brexit, and the United Kingdom formally left the EU on January 31, 2020. There was a transition period during which EU pharmaceutical laws continued to apply to the United Kingdom, which expired on December 31, 2020. However, the EU and the United Kingdom have concluded a trade and cooperation agreement, or TCA, which was provisionally applicable since January 1, 2021 and has been formally applicable since May 1, 2021. The TCA includes specific provisions concerning pharmaceuticals, which include the mutual recognition of cGMP, inspections of manufacturing facilities for medicinal products and cGMP documents issued, but does not foresee wholesale mutual recognition of United Kingdom and EU pharmaceutical

regulations. At present, EU laws which have been transposed into UK law through secondary legislation continue to be applicable as "retained EU law". However, new legislation such as the EU Clinical Trials Regulation or in relation to orphan medicines will not be applicable. The UK government has passed a new Medicines and Medical Devices Act 2021, which introduces delegated powers in favour of the Secretary of State or an 'appropriate authority' to amend or supplement existing regulations in the area of medicinal products and medical devices. This allows new rules to be introduced in the future by way of secondary legislation, which aims to allow flexibility in addressing regulatory gaps and future changes in the fields of human medicines, clinical trials and medical devices.

As of January 1, 2021, the Medicines and Healthcare products Regulatory Agency, or MHRA, is the UK's standalone medicines and medical devices regulator. As a result of the Northern Ireland protocol, different rules will apply in Northern Ireland than in England, Wales, and Scotland, together, Great Britain, or GB; broadly, Northern Ireland will continue to follow the EU regulatory regime, but its national competent authority will remain the MHRA. The MHRA has published a guidance on how various aspects of the UK regulatory regime for medicines will operate in Great Britain and in Northern Ireland following the expiry of the Brexit transition period on December 31, 2020. The guidance includes clinical trials, importing, exporting, and pharmacovigilance and is relevant to any business involved in the research, development, or commercialization of medicines in the UK. The new guidance was given effect via the Human Medicines Regulations (Amendment etc.) (EU Exit) Regulations 2019, or the Exit Regulations.

The MHRA has introduced changes to national licensing procedures, including procedures to prioritize access to new medicines that will benefit patients, including a 150-day assessment and a rolling review procedure. All existing EU marketing authorizations for centrally authorized products were automatically converted or grandfathered into UK marketing authorizations, effective in Great Britain (only), free of charge on January 1, 2021, unless the marketing authorization holder chooses to opt-out. In order to use the centralized procedure to obtain a marketing authorization that will be valid throughout the EEA, companies must be established in the EEA. Therefore, after Brexit, companies established in the UK can no longer use the centralized procedure and instead an EEA entity must hold any centralized marketing authorizations. In order to obtain a UK marketing authorization to commercialize products in the UK, an applicant must be established in the UK and must follow one of the UK national authorization procedures or one of the remaining post-Brexit international cooperation procedures. The MHRA may rely on a decision taken by the European Commission on the approval of a new (centralized procedure) MA when determining an application for a Great Britain authorization; or use the MHRA's decentralized or mutual recognition procedures which enable marketing authorizations approved in EU member states (or Iceland, Liechtenstein, Norway) to be granted in GB.

There will be no pre-marketing authorization orphan designation. Instead, the MHRA will review applications for orphan designation in parallel to the corresponding marketing authorization application. The criteria are essentially the same, but have been tailored for the market, i.e., the prevalence of the condition in Great Britain, rather than the EU, must not be more than five in 10,000. Should an orphan designation be granted, the period or market exclusivity will be set from the date of first approval of the product in Great Britain.

Pricing Decisions for Approved Products

In the EU, pricing and reimbursement schemes vary widely from country to country. Some countries provide that products may be marketed only after a reimbursement price has been agreed. Some countries may require the completion of additional studies that compare the cost-effectiveness of a particular product candidate to currently available therapies or so-called health technology assessments, in order to obtain reimbursement or pricing approval. For example, EU Member States have the option to restrict the range of products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. EU Member States may approve a specific price for a product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the product on the market. Other EU Member States allow companies to fix their own prices for products, but monitor and control prescription

volumes and issue guidance to physicians to limit prescriptions. Recently, many countries in the EU have increased the amount of discounts required on pharmaceuticals and these efforts could continue as countries attempt to manage health care expenditures, especially in light of the severe fiscal and debt crises experienced by many countries in the EU. The downward pressure on health care costs in general, particularly prescription products, has become intense.

As a result, increasingly high barriers are being erected to the entry of new products. Political, economic and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after reimbursement has been obtained. Reference pricing used by various EU Member States, and parallel trade, i.e., arbitrage between low-priced and high-priced EU Member States, can further reduce prices. There can be no assurance that any country that has price controls or reimbursement limitations for pharmaceutical products will allow favorable reimbursement and pricing arrangements for any products, if approved in those countries.

Rest of the World Regulation

For other countries outside of Canada, the EU and the United States, such as countries in Eastern Europe, Latin America or Asia, the requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country. Additionally, the clinical trials must be conducted in accordance with GCP requirements and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

If we fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions and criminal prosecution.

Employees and Human Capital Resources

As of March 31, 2022, we had 31 full-time employees, of which 15 have Ph.D. degrees, and no part-time employees. Within our workforce, 24 employees are engaged in research and development and four are engaged in business development, finance, legal, and general management and administration. None of our employees are represented by labor unions or covered by collective bargaining agreements. We consider our relationship with our employees to be good.

Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and new employees, advisors and consultants. The principal purposes of our equity incentive plans are to attract, retain and reward personnel through the granting of equity-based compensation awards in order to increase stockholder value and the success of our company by motivating such individuals to perform to the best of their abilities and achieve our objectives.

Facilities

We primarily operate out of approximately 800 square feet of office space located at 245 Main Street, Cambridge, Massachusetts 02142, and lease and occupy approximately 300 square feet of laboratory space at Ipsen Innovation Center BioLabs, 650 E. Kendall St, Cambridge, Massachusetts. The current terms for each of these leases is month-to-month, with a 30-day written notice of cancellation. We also lease 31,668 square feet of office space at 321 Harrison Street, Boston, Massachusetts 02118. The current term of the lease is 110 months, beginning on the lease commencement date, which is expected to occur in the second half of 2022. In addition, we have executed a lease for 6,500 square feet of laboratory space at the University of Massachusetts, Mount Ida Campus in Newton, Massachusetts at the School of Applied Sciences Building, which commenced on February 1, 2022 and expires on January 31, 2023.

We also lease and occupy approximately 900 square feet laboratory space at Innovation Building, University of Oxford, Roosevelt Drive, Oxford, OX3 7FZ. The term for this laboratory space expires in September 2022 and may be cancelled on a one-month rolling notice period.

We believe that our facilities are adequate for our current needs and for the foreseeable future. To meet the future needs of our business, we may lease additional or alternate space. We believe that suitable additional or substitute space at commercially reasonable terms will be available as needed to accommodate any future expansion of our operations.

Legal proceedings

From time to time, we may become involved in litigation or other legal proceedings arising in the ordinary course of business. We are not currently a party to any litigation or legal proceedings that, in the opinion of our management, are probable to have a material adverse effect on our business. Regardless of outcome, litigation can have an adverse impact on our business, financial condition, results of operations and prospects because of defense and settlement costs, diversion of management resources and other factors.

MANAGEMENT

Executives and Directors

The following table sets forth the name, age and position of each of our executives and directors as of March 31, 2022.

Name	Age	Position
Executive Officers:		
James McArthur, Ph.D.	60	President, Chief Executive Officer and Director
Noel Donnelly, M.B.A.	52	Chief Financial Officer
Jaya Goyal, Ph.D.	54	Executive Vice President, Research and Preclinical Development
Niels Svenstrup, Ph.D.	52	Senior Vice President, Chemistry, Manufacturing and Control
Sonia Bracegirdle, D.Phil.	36	Senior Vice President, Strategy and Operations
Michelle L. Mellion, M.D.	46	Senior Vice President, Clinical Development
Non-Employee Directors:		
Christopher Ashton, Ph.D.(1)(2)	62	Director
Joshua Resnick, M.D., M.B.A.(3)	47	Director
Heidi Henson(1)(2)	56	Director
Laurie B. Keating, J.D.(1)(2)(3)	68	Director

(1) Member of the Audit Committee.
(2) Member of the Compensation Committee.
(3) Member of the Nominating and Corporate Governance Committee.

Each executive officer serves at the discretion of our board of directors and holds office until his or her successor is duly elected and qualified or until his or her earlier resignation or removal. There are no family relationships among any of our directors or executive officers.

Executive Officers

James McArthur, Ph.D., has served as our President and Chief Executive Officer and a member of our board of directors since January 2021. Prior, from August 2020 to May 2021, Dr. McArthur served as a Venture Partner at RA Capital Management, L.P., an investment company. Dr. McArthur co-founded Imara Inc., a clinical-stage biopharmaceutical company, where he served as President and Chief Executive Officer from January 2016 to May 2018, and on the board of directors from January 2016 to April 2020. He was also a founder of Vtesse Inc. in 2015, a pharmaceutical company, which was acquired by Sucampo, Inc. in April 2017, Tiburio Therapeutics, Inc., a biopharmaceutical company, in 2018 and Cydan Development, Inc., a pharmaceutical company, in 2013, and served as a member of the board of directors of Nightstar Therapeutics, a public gene therapy company that was acquired by Biogen in June 2019. Prior, Dr. McArthur was an Entrepreneur-in-Residence at HealthCare Ventures LLC, a life science venture capital firm, and was the founding employee and Chief Scientific Officer of Synovex Corporation, which was renamed Adheron Therapeutics, Inc., or Adheron, a biotechnology company, from June 2006 to September 2012 (which was acquired by F. Hoffmann-La Roche AG in October 2015), and a consultant to Adheron from September 2012 to January 2015. Dr. McArthur currently serves as a member of the board of directors and Scientific Advisory Board of the Friedreich's Ataxia Research Alliance (FARA), a leading patient advocacy group and formerly served on the board of directors of T-Cure Biosciences Inc, a biotechnology company, from April 2020 to September 2020. Dr. McArthur obtained his Ph.D. in molecular oncology at McGill University of Montreal and was a post-doctoral fellow studying immunology at Massachusetts Institute of Technology and the University of California, Berkeley. Dr. McArthur received his B.Sc. in biochemistry from McGill University. We believe Dr. McArthur is qualified to serve on our board of directors due to his extensive experience in the life sciences industry and his position as our President and Chief Executive Officer.

Noel Donnelly, M.B.A., has served as our Chief Financial Officer since October 2021. Previously, from July 2019 until October 2021, Mr. Donnelly served as Chief Financial Officer of EIP Pharma, Inc., a privately-held pharmaceutical company. From June 2004 until July 2019, Mr. Donnelly served in various roles of increasing seniority at Shire plc, a biopharmaceutical company, including Vice President, Research and Development Business Ops; Senior Director, Head of Research and Development Business Analytics and Knowledge Management; Senior Director, Head of Research and Development Finance; Director, Financial Planning and Analysis; and Associate Director, Financial Planning and Analysis. Mr. Donnelly received an MBA from Babson College and B.Sc. in nuclear engineering from the University of Massachusetts Lowell.

Jaya Goyal, Ph.D., has served as our Executive Vice President, Research and Preclinical Development since October 2021. Prior to joining PepGen, from March 2017 until October 2021, Dr. Goyal served as Senior Vice President, Preclinical and Clinical Development Sciences, and, previously, as Vice President, Bioanalytical, Pharmacology and Biomarker Development, of Wave Life Sciences Limited, a publicly-held clinical-stage genetic medicines company. From April 2001 until March 2017, Dr. Goyal served in various roles of increasing seniority at Biogen Inc., a publicly-held biotechnology company, including Director-Senior Director, Translational Medicine and Value Based Medicine; Associate Director; and Senior Scientist. Dr. Goyal was a Postdoctoral Fellow at Rush Presbyterian St. Luke's Medical Center in Chicago, Illinois, received her Ph.D. in biochemistry from the Central Drug Research Institute, India, and received her undergraduate degree from Lucknow University.

Niels Svenstrup, Ph.D., has served as our Senior Vice President, Chemistry, Manufacturing and Control since April 2021. Previously, from July 2017 until April 2021, Dr. Svenstrup served as Vice President of Development and, subsequently, as Senior Vice President of Development at Cydan II, Inc., a privately-held orphan drug accelerator. From November 2015 until July 2017, Dr. Svenstrup served as Director of CMC at Ascendis Pharma A/S, a biopharmaceutical company. Prior to that, Dr. Svenstrup served as Head of Department, Medicinal Chemistry, at H. Lundbeck, from May 2008 to November 2015, and at Bayer Pharmaceutical from December 2000 to May 2008 in various research and development leadership roles. Dr. Svenstrup performed postdoctoral research at The Scripps Research Institute. He received a Ph.D. in Organic Chemistry and an M.Sc. in Chemistry and Cell Biology from the University of Southern Denmark.

Sonia Bracegirdle, D.Phil., has served as our Senior Vice President, Strategy and Operations, since November 2021, and previously as our Vice President, Strategy and Operations from January 2021 until November 2021, Chief Business Officer from February 2019 until January 2021 and Head of Business Development from April 2018 until February 2019. Prior to joining PepGen, in 2017, Dr. Bracegirdle served as a partner of Syncona Limited, a London-based biotechnology venture capital firm, and from 2015 to 2016, served as Co-Founder and Chief Executive Officer of Chiloé, a privately-held women's clothing label. She has also held roles at the Boston Consulting Group and McKinsey & Company. Dr. Bracegirdle received her D.Phil. in Organic Chemistry from the University of Oxford and M.Sc. in Chemistry from the University of Cambridge.

Michelle L. Mellion, M.D., has served as our Senior Vice President, Clinical Development since April 2022. Prior to joining PepGen, from August 2018 until March 2022, Dr. Mellion served in various roles of increasing seniority at Fulcrum Therapeutics, Inc., a biotechnology company, including Executive Medical Director, Head of Neuromuscular Clinical Development, Senior Medical Director and Medical Director. Prior to Fulcrum Therapeutics, from December 2016 until August 2018, Dr. Mellion served as Medical Director at Vertex Pharmaceuticals Incorporated, a biopharmaceutical company, and from February 2015 until November 2016, as Associate Medical Director at Biogen Inc., a biotechnology company. In addition, since September 2020, Dr. Mellion has served as an attending physician in pediatric neurology at Pratt Medical Associates and, from July 2006 until July 2018, served as an attending physician in neurology at The Neurology Foundation and as Assistant Professor of Neurology at the Warren Alpert Medical School of Brown University. During that time she served as the director of the Neurology Residency Program, Clinical Neurophysiology Fellowship and Attending Physician at the Rhode Island Hospital interdisciplinary MDA clinic. She completed her internship, neurology residency and fellowship in clinical neurophysiology at RIH/Warren Alpert Medical School of Brown

University from 2001 until 2006 and is double boarded in neurology and clinical neurophysiology. She has multiple publications regarding various neuromuscular diseases and conditions. Dr. Mellion received an M.D. from Wake Forest University School of Medicine and a B.A. in Molecular Biology from Colgate University.

Non-employee directors

Christopher Ashton, Ph.D., has served as a member of our board of directors since December 2019. Since December 2019, Dr. Ashton has served as an Advisor to Oxford Science Enterprises plc. Dr. Ashton served as chairman of the board of directors of MacrophOx Limited, a drug discovery company, from October 2018 until August 2020. Previously, from March 2016 until February 2018, Dr. Ashton was a partner at Syncona Investment Management Limited, an investment company, and from May 2016 through January 2018, as Chief Executive Officer of Achilles Therapeutics Limited, a biopharmaceutical company. Dr. Ashton currently serves on the board of directors of OMass Therapeutics, a privately-held biotechnology company. Dr. Ashton carried out post-doctoral research at the Massachusetts Institute of Technology and has a Ph.D. in Organic Chemistry and a Bachelor of Science in Biochemistry from The University of Manchester. We believe Dr. Ashton's industry experience provides him with the appropriate set of skills to serve as a member of our board of directors.

Joshua Resnick, M.D., M.B.A., has served as a member of our board of directors since November 2020. Dr. Resnick has served as a Managing Director at RA Capital Management, L.P., a life sciences investment advisor, since October 2018. Dr. Resnick previously served as a Partner at SV Health Investors from January 2016 to September 2018 and as President and Managing Partner at MRL Ventures Fund, an early-stage therapeutics-focused corporate venture fund that he built and managed within Merck & Co., from 2014 to January 2016. Dr. Resnick is on staff in the Department of Emergency Medicine at Massachusetts General Hospital. Dr. Resnick has served on the board of directors of Vor Biopharma Inc. (NASDAQ: VOR) since February 2019 and Aerovate Therapeutics, Inc. (NASDAQ: AVTE) since August 2020 (and previously from October 2018 to February 2020) and previously served on the boards of directors of Kalvista Pharmaceuticals, Inc. and Avrobio, Inc. from November 2016 to September 2018 and July 2016 to September 2018, respectively. Dr. Resnick received a B.A. in chemistry from Williams College, an M.D. from the University of Pennsylvania School of Medicine and an M.B.A. from The Wharton School of the University of Pennsylvania. We believe Dr. Resnick's industry and investor experience provides him with the appropriate set of skills to serve as a member of our board of directors.

Heidi Henson**,** has served as a member of our board of directors since July 2021. Ms. Henson has served as Chief Financial Officer of Pardes Biosciences Inc., a publicly-held clinical-stage biopharmaceutical company, since January 2021. From April 2019 to July 2020, Ms. Henson served as Chief Financial Officer of Imbria Pharmaceuticals, Inc., a privately-held biotechnology company, and from November 2018 to April 2019 she served as Chief Financial Officer of Respivant Sciences, a privately-held clinical-stage biopharmaceutical company. From October 2014 to July 2018, Ms. Henson served as Chief Financial Officer of Kura Oncology, Inc., a public biopharmaceutical company. Ms. Henson also served as Chief Financial Officer of Wellspring Biosciences, Inc., a privately-held biopharmaceutical company, and its parent company Araxes Pharma LLC, from July 2012 to July 2018, and served as Secretary of Wellspring and Araxes from July 2012 to January 2015. From 2007 to March 2012, Ms. Henson served as the Vice President, Finance at Intellikine, Inc., a privately-held biopharmaceutical company, until its acquisition by Takeda Pharmaceutical Company Limited. Ms. Henson previously served as an independent financial consultant for several years assisting with various start-up activities for early stage companies, SEC reporting and Sarbanes-Oxley implementation and compliance. Ms. Henson previously served as Director of Finance at Anadys Pharmaceuticals, Inc., a publicly-held biopharmaceutical company, and held a number of management positions with Fair Isaac & Co., Inc. (formally HNC Software, Inc.), a publicly-held software company. Ms. Henson began her career in auditing at PricewaterhouseCoopers LLP, a public accounting firm, where she served both public and private companies. Ms. Henson currently serves on the board of directors of Cend Therapeutics, Inc., a privately-held clinical-stage biotechnology company. She received a Bachelor's of Accountancy from the University of San Diego and is a Certified Public Accountant (inactive) in the state of California. We believe Ms. Henson is qualified to serve on

our board of directors due to her extensive finance experience and experience serving as an executive of several companies in the life sciences industry.

Laurie B. Keating, J.D., has served as a member of our board of directors since December 2021. Since March 2019, Ms. Keating has served as Executive Vice President, Chief Legal Officer and Secretary of Alnylam Pharmaceuticals, Inc., a publicly-held pharmaceutical company, and previously served as Senior Vice President, General Counsel and Secretary of Alnylam from September 2014 to March 2019. Prior to joining Alnylam, Ms. Keating served as Senior Vice President, General Counsel and Secretary of Millennium: The Takeda Oncology Company, a biopharmaceutical company, from September 2004 to January 2014. Prior to Millennium, Ms. Keating was the founding Chief Executive Officer and a director of venture-backed Hydra Biosciences, Inc., a privately-held biopharmaceutical company. Before co-founding Hydra, she served as an executive at several high growth technology companies. Upon graduating from law school, Ms. Keating practiced law at McCutchen, Doyle, Brown and Enersen (which is now a part of Morgan, Lewis & Bockius). Ms. Keating currently serves on the board of directors of Imago BioSciences, Inc., a publicly-held biopharmaceutical company, Immuneering Corporation, a publicly-held biopharmaceutical company, and MassBio, a non-profit life sciences industry association. Ms. Keating received a B.A. in economics from the University of California, Berkley and a J.D. from the University of California, Hastings College of Law. We believe Ms. Keating is qualified to serve on our board of directors due to her business, legal and public policy background.

Composition of our board of directors

Our board consists of five members, each of whom are members pursuant to the board composition provisions of our certificate of incorporation and agreements with our stockholders, and is chaired by Ms. Keating. These board composition provisions will terminate upon the completion of this offering. Upon the termination of these provisions, there will be no further contractual obligations regarding the election of our directors. Our nominating and corporate governance committee and our board of directors may therefore consider a broad range of factors relating to the qualifications and background of nominees. Our nominating and corporate governance committee's and our board of directors' priority in selecting board members is identification of persons who will further the interests of our stockholders through their established record of professional accomplishment, the ability to contribute positively to the collaborative culture among board members, knowledge of our business, understanding of the competitive landscape, professional and personal experiences, and expertise relevant to our growth strategy. Our directors hold office until their successors have been elected and qualified or until the earlier of their resignation or removal. Our amended and restated certificate of incorporation that will become effective upon the closing of this offering and amended and restated bylaws that will become effective upon the effectiveness of the registration statement of which this prospectus is a part, also provide that our directors may be removed only for cause by the affirmative vote of the holders of at least two-thirds of the votes that all our stockholders would be entitled to cast in an annual election of directors, and that any vacancy on our board of directors, including a vacancy resulting from an enlargement of our board of directors, may be filled only by vote of a majority of our directors then in office.

Director independence

We intend to apply to list our common stock on The Nasdaq Global Market. Under the Nasdaq listing rules, independent directors must comprise a majority of a listed company's board of directors within twelve months from the date of listing. In addition, the Nasdaq listing rules require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and governance committees be independent within twelve months from the date of listing. Audit committee members must also satisfy additional independence criteria, including those set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and compensation committee members must also satisfy the independence criteria set forth in Rule 10C-1 under the Exchange Act. Under Nasdaq listing rules, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the

responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3 under the Exchange Act, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee: (1) accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries, other than compensation for board service; or (2) be an affiliated person of the listed company or any of its subsidiaries. In order to be considered independent for purposes of Rule 10C-1, the board of directors must consider, for each member of a compensation committee of a listed company, all factors specifically relevant to determining whether a director has a relationship to such company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to: the source of compensation of the director, including any consulting advisory or other compensatory fee paid by such company to the director, and whether the director is affiliated with the company or any of its subsidiaries or affiliates.

Our board of directors has determined that all members of the board of directors, except Dr. McArthur, are independent directors, including for purposes of the rules of The Nasdaq Global Market and the SEC. In making such independence determinations, our board of directors considered the relationships that each non-employee director has with us and all other facts and circumstances that our board of directors deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each non-employee director. In considering the independence of the directors listed above, our board of directors considered the association of our directors with the holders of more than 5% of our common stock. Upon the completion of this offering, we expect that the composition and functioning of our board of directors and each of our committees will comply with all applicable requirements of The Nasdaq Global Market and the rules and regulations of the SEC. There are no family relationships among any of our directors or executive officers. Dr. McArthur is not an independent director under these rules because is our President and Chief Executive Officer.

Staggered board

In accordance with the terms of our amended and restated certificate of incorporation that will become effective upon the closing of this offering and amended and restated bylaws that will become effective upon the effectiveness of the registration statement of which this prospectus is a part, our board of directors will be divided into three staggered classes of directors and each will be assigned to one of the three classes. At each annual meeting of the stockholders, a class of directors will be elected for a three-year term to succeed the directors of the same class whose terms are then expiring. The terms of the directors will expire upon the election and qualification of successor directors at the annual meeting of stockholders to be held during the years 2022 for Class I directors, 2023 for Class II directors and 2024 for Class III directors.

- Our Class I directors will be ;
- Our Class II directors will be ; and
- Our Class III directors will be .

Our amended and restated certificate of incorporation that will become effective upon the closing of this offering and amended and restated bylaws that will become effective upon the effectiveness of the registration statement of which this prospectus is a part provide that the number of our directors shall be fixed from time to time by a resolution of the majority of our board of directors.

The division of our board of directors into three classes with staggered three-year terms may delay or prevent stockholder efforts to effect a change of our management or a change in control.

Board leadership structure and board's role in risk oversight

Currently, the role of chairman of our board of directors is separated from the role of Chief Executive Officer. Our Chief Executive Officer is responsible for recommending strategic decisions and capital allocation

to the board of directors and to ensure the execution of the recommended plans. The chairman of our board of directors is responsible for leading the board of directors in its fundamental role of providing advice to and independent oversight of management. Our board of directors recognizes the time, effort, and energy that the Chief Executive Officer is required to devote to his position in the current business environment, as well as the commitment required to serve as our chairman, particularly as the board of directors' oversight responsibilities continue to grow. While our amended and restated bylaws and corporate governance guidelines will not require that our chairman and Chief Executive Officer positions be separate, our board of directors believes that having separate positions is the appropriate leadership structure for us at this time and demonstrates our commitment to good corporate governance.

Risk is inherent with every business, and how well a business manages risk can ultimately determine its success. We face a number of risks, including the risks more fully discussed in the section titled "Risk Factors" appearing elsewhere in this prospectus. Management is responsible for the day-to-day management of risks we face, while our board of directors, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, our board of directors has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed.

The role of the board of directors in overseeing the management of our risks is conducted primarily through committees of the board of directors, as disclosed in the descriptions of each of the committees below and in the charters of each of the committees. The full board of directors (or the appropriate board committee in the case of risks that are under the purview of a particular committee) discusses with management our major risk exposures, their potential impact on us, and the steps we take to manage them. When a board committee is responsible for evaluating and overseeing the management of a particular risk or risks, the chairman of the relevant committee reports on the discussion to the full board of directors during the committee reports portion of the next board meeting. This enables the board of directors and its committees to coordinate the risk oversight role, particularly with respect to risk interrelationships.

Committees of our board of directors

Our board of directors has established an audit committee, a compensation committee and a nominating and corporate governance committee, each of which will operate pursuant to a charter to be adopted by our board of directors and will be effective upon the effectiveness of the registration statement of which this prospectus is a part. The board of directors may also establish other committees from time to time to assist us and our board of directors. Upon the effectiveness of the registration statement of which this prospectus is a part, the composition and functioning of all of our committees will comply with all applicable requirements of the Sarbanes-Oxley Act of 2002, Nasdaq and SEC rules and regulations, if applicable. Upon our listing on The Nasdaq Global Market, each committee's charter will be available on our website at https://pepgen.com/. The reference to our website address does not constitute incorporation by reference of the information contained at or available through our website, and you should not consider it to be part of this prospectus.

Audit committee

Heidi Henson, Christopher Ashton and Laurie B. Keating serve on the audit committee, which is chaired by Heidi Henson. Our board of directors has determined that each of satisfy the independence requirements under the Nasdaq listing standards and Rule 10A-3. As required by the Nasdaq listing rules and Rule 10A-3, the audit committee will consist solely of independent directors following the applicable transition period. Each member of the audit committee has sufficient knowledge in financial and auditing matters to serve on the audit committee. Our board of directors has determined that Heidi Henson qualifies as an "audit committee financial expert," as defined under the applicable rules of the SEC. The audit committee's responsibilities include:

- appointing, approving the compensation of, and assessing the independence of, our independent registered public accounting firm;

- pre-approving auditing and permissible non-audit services, and the terms of such services, to be provided by our independent registered public accounting firm;
- reviewing the overall audit plan with our independent registered public accounting firm and members of management responsible for preparing our financial statements;
- reviewing and discussing with management and our independent registered public accounting firm our annual and quarterly financial statements and related disclosures as well as critical accounting policies and practices used by us;
- coordinating the oversight and reviewing the adequacy of our internal control over financial reporting;
- establishing policies and procedures for the receipt and retention of accounting-related complaints and concerns;
- recommending, based upon the audit committee's review and discussions with management and our independent registered public accounting firm, whether our audited financial statements shall be included in our Annual Report on Form 10-K;
- monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements and accounting matters;
- preparing the audit committee report required by SEC rules to be included in our annual proxy statement;
- reviewing all related person transactions for potential conflict of interest situations and approving all such transactions; and
- reviewing quarterly earnings releases.

Compensation committee

Laurie B. Keating, Christopher Ashton and Heidi Henson serve on the compensation committee, which is chaired by Laurie B. Keating. Our board of directors has determined that each member of the compensation committee is "independent" as defined in the applicable Nasdaq rules. The compensation committee's responsibilities include:

- annually reviewing and recommending to the board of directors the corporate goals and objectives relevant to the compensation of our Chief Executive Officer;
- evaluating the performance of our Chief Executive Officer in light of such corporate goals and objectives and, based on such evaluation, recommending to the board of directors the cash compensation of our Chief Executive Officer;
- determining the cash compensation of our other executive officers;
- overseeing and administering our compensation and similar plans;
- reviewing and approving the retention or termination of any consulting firm or outside advisor to assist in the evaluation of compensation matters and evaluating and assessing potential and current compensation advisors in accordance with the independence standards identified in the applicable Nasdaq rules;
- retaining and approving the compensation of any compensation advisors;
- reviewing and approving the grant of equity-based awards;

- reviewing and recommending to the board of directors the compensation of our directors; and
- preparing the compensation committee report required by SEC rules, if and when required, to be included in our annual proxy statement.

Each member of our compensation committee is a non-employee director, as defined in Rule 16b-3 promulgated under the Exchange Act.

Nominating and corporate governance committee

Upon the effectiveness of the registration statement of which this prospectus forms a part, Joshua Resnick and Laurie B. Keating will serve on the nominating and corporate governance committee, which will be chaired by Joshua Resnick. Our board of directors has determined that a majority of the nominating and corporate governance committee is "independent" as defined in the applicable Nasdaq rules. The nominating and corporate governance committee's responsibilities include:

- developing and recommending to the board of directors criteria for board and committee membership;
- establishing procedures for identifying and evaluating board of director candidates, including nominees recommended by stockholders;
- reviewing the composition of the board of directors to ensure that it is composed of members containing the appropriate skills and expertise to advise us;
- identifying individuals qualified to become members of the board of directors;
- recommending to the board of directors the persons to be nominated for election as directors and to each of the board's committees;
- reviewing and recommending to the board of directors appropriate corporate governance guidelines; and
- overseeing the evaluation of our board of directors.

Our board of directors may from time to time establish other committees.

Compensation committee interlocks and insider participation

In 2021, the compensation committee consisted of Christopher Ashton and Joshua Resnick. None of the members of our compensation committee has at any time during the prior three years been one of our officers or employees. None of our executive officers currently serves, or in the past fiscal year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

Code of Business Conduct and Ethics

Our board of directors intends to adopt a Code of Business Conduct and Ethics in connection with this offering. The Code of Business Conduct and Ethics will apply to our directors, officers, and employees, including our principal executive officer, principal financial officer, principal accounting officer, or controller, or persons performing similar functions. Upon the completion of this offering, the full text of our Code of Business Conduct and Ethics will be posted on our website at https://pepgen.com/. The information on our website is

deemed not to be incorporated in this prospectus or to be a part of this prospectus. If we make any substantive amendments to, or grant any waivers from, our Code of Business Conduct and Ethics for any officer or director, we will disclose the nature of such amendment or waiver on our website or in a current report on Form 8-K.

Limitations on Liability and Indemnification Agreements

As permitted by Delaware law, provisions in our amended and restated certificate of incorporation, which will become effective immediately prior to the closing of this offering, and amended and restated bylaws, which will become effective upon the effectiveness of this registration statement, limit or eliminate the personal liability of directors for a breach of their fiduciary duty of care as a director. The duty of care generally requires that, when acting on behalf of the corporation, a director exercise an informed business judgment based on all material information reasonably available to him or her. Consequently, a director will not be personally liable to us or our stockholders for monetary damages or breach of fiduciary duty as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- any act related to unlawful stock repurchases, redemptions or other distributions or payments of dividends; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not limit or eliminate our rights or any stockholder's rights to seek non-monetary relief, such as injunctive relief or rescission. These provisions will not alter a director's liability under other laws, such as the federal securities laws or other state or federal laws. Our amended and restated certificate of incorporation that will become effective immediately prior to the closing of this offering also authorizes us to indemnify our officers, directors and other agents to the fullest extent permitted under Delaware law.

As permitted by Delaware law, our amended and restated bylaws to be effective upon the effectiveness of this registration statement will provide that:

- we will indemnify our directors, officers, employees and other agents to the fullest extent permitted by law;
- we must advance expenses to our directors and officers, and may advance expenses to our employees and other agents, in connection with a legal proceeding to the fullest extent permitted by law; and
- the rights provided in our amended and restated bylaws are not exclusive.

If Delaware law is amended to authorize corporate action further eliminating or limiting the personal liability of a director or officer, then the liability of our directors or officers will be so eliminated or limited to the fullest extent permitted by Delaware law, as so amended. Our amended and restated bylaws will also permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in connection with their services to us, regardless of whether our bylaws permit such indemnification. We have obtained such insurance.

In addition to the indemnification that will be provided for in our amended and restated certificate of incorporation and amended and restated bylaws, we plan to enter into separate indemnification agreements with each of our directors and executive officers, which may be broader than the specific indemnification provisions

contained in the Delaware General Corporation Law. These indemnification agreements may require us, among other things, to indemnify our directors and executive officers for some expenses, including attorneys' fees, expenses, judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of his service as one of our directors or executive officers or any other company or enterprise to which the person provides services at our request. We believe that these provisions and agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

This description of the indemnification provisions of our amended and restated certificate of incorporation, our amended and restated bylaws and our indemnification agreements is qualified in its entirety by reference to these documents, each of which is attached as an exhibit to the registration statement of which this prospectus forms a part.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable.

There is no pending litigation or proceeding naming any of our directors or officers as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

EXECUTIVE COMPENSATION

Overview

The following discussion contains forward-looking statements that are based on our current plans and expectations regarding our future compensation programs. The actual amount and form of compensation that we pay and the compensation policies and practices that we adopt in the future may differ materially from the currently-planned programs that are summarized in this discussion.

As an emerging growth company, we have opted to comply with the executive compensation disclosure rules applicable to "smaller reporting companies," as such term is defined in the rules promulgated under the Securities Act. The compensation provided to our named executive officers for the fiscal years ended December 31, 2021 and 2020 is detailed in the 2021 Summary Compensation Table and accompanying footnotes and narrative that follow. Our named executive officers for fiscal year ending December 31, 2021, are:

- James McArthur, Ph.D., our President and Chief Executive Officer;
- Caroline Godfrey, Ph.D., our Senior Vice President of Discovery and former Chief Executive Officer;
- Noel Donnelly, our Chief Financial Officer; and
- Jaya Goyal, Ph.D., our Executive Vice President, Research and Preclinical Development.

Effective January 21, 2021, Dr. Godfrey resigned as our Chief Executive Officer and as a member of our board of directors and transitioned to her current role as our Senior Vice President of Discovery, and James McArthur, Ph.D. assumed the role as our Chief Executive Officer, President, Treasurer and Secretary. Noel Donnelly joined the Company as our Chief Financial Officer and Jaya Goyal joined the Company as our Executive Vice President, Research and Preclinical Development in October 2021.

2021 Summary Compensation Table

The following table provides information regarding the total compensation awarded to, earned by, and paid to our named executive officers for services rendered to us in all capacities during the years listed below. The USD amounts below are based on a weighted-average exchange ratio of GBP £0.7265 to USD $1.00 for the reporting period as set forth on Bloomberg:

Name and Principal Position	Year	Salary ($)	Bonus ($)(2)	Stock Awards ($)(3)	Option Awards ($)(4)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)	Total ($)
James McArthur, Ph.D.								
President and Chief Executive Officer(1)	2021	407,604	190,350	—	3,490,920	—	—	4,088,874
Caroline Godfrey, Ph.D.								
Senior Vice President of Discovery and former Chief Executive Officer	2021	137,640	137,640	—	—	—	6,882(5)	282,162
	2020	128,290	—	3,051	83,635	—	6,415(5)	221,391
Noel Donnelly								
Chief Financial Officer(1)	2021	91,212	154,800	—	1,529,199	—	—	1,775,211
Jaya Goyal, Ph.D.								
Executive Vice President, Research and Preclinical Development(1)	2021	84,849	219,000	—	1,129,539	—	—	1,433,387

(1) Dr. McArthur joined us in January 2021 and Mr. Donnelly and Dr. Goyal joined in October 2021.
(2) The amounts reported for Dr. McArthur, Mr. Donnelly, and Dr. Goyal include discretionary bonuses earned in 2021 based on achievement of performance objectives as determined by our board of directors. The amount reported for Dr. Godfrey represents a bonus paid to Dr. Godfrey in connection with the closing of the Company's Series A financing. For Dr. Goyal, the amount reported also includes a $75,000 signing bonus pursuant to her employment agreement.
(3) Amount reflects the incremental fair value related to the modification of Dr. Godfrey's outstanding shares in November 2020 in connection with the Reorganization, as described below in the section titled "Equity Compensation".
(4) The amount reported for 2021 represent the grant date fair value of options to shares of our common stock, calculated in accordance with Financial Accounting Standards Board, or FASB Accounting Standards Codification, or ASC Topic 718. The amounts reported for 2020 represent the aggregate grant date fair value of options to purchase Limited Options (as defined below in the section titled "Equity Compensation") awarded to the named executive officers during fiscal year 2020 prior to the Reorganization, calculated in accordance with ASC Topic 718. Such grant date fair value does not take into account any estimated forfeitures. The value reported for 2020 reflects the grant date fair value based upon probable achievement of the performance conditions of the Limited Options. The grant date fair value of such option awards assuming the maximum achievement of the performance condition is $83,635. The assumptions used in calculating the grant date fair value of the awards reported in this column are set forth in the notes to our consolidated financial statements included elsewhere in this prospectus. The amounts reported in this column reflect the accounting cost for the options and does not correspond to the actual economic value that may have been received upon exercise of the options or any sale of any of the underlying shares. See the section below titled "Equity Compensation" for more detailed discussion of the treatment of the Limited Options in connection with the Reorganization.
(5) The amount reported represents employer contributions on behalf of Dr. Godfrey to a group personal pension scheme, the People's Pension Scheme.

Narrative to Summary Compensation Table

As noted above, the USD amounts described below are based on a weighted-average exchange ratio of GBP £0.7265 to USD $1.00 for the reporting period as set forth on Bloomberg.

Base salary

For the fiscal year ended December 31, 2021, the annual base salaries for Dr. McArthur, Dr. Godfrey, Mr. Donnelly, and Dr. Goyal were $470,000, $137,640, $430,000, and $400,000, respectively. For fiscal year 2020, Dr. Godfrey's annual base salary was $128,290.

Annual Bonuses

For the fiscal year ended December 31, 2021, each of Dr. McArthur, Mr. Donnelly, and Dr. Goyal was eligible to earn an annual discretionary cash bonus based on the achievement of corporate and individual performance goals as determined by our board of directors. The target annual bonus for each of Dr. McArthur, Mr. Donnelly, and Dr. Goyal for the fiscal year ended December 31, 2021 were 45%, 40%, and 40% of annual base salary, respectively. The terms of Mr. Donnelly's employment agreement provide that his 2021 bonus would be prorated, but our board of directors determined to pay Mr. Donnelly a non-prorated bonus for 2021.

Equity Compensation

During the fiscal year ended December 31, 2021, we granted stock option awards to each of our named executive officers (other than Dr. Godfrey), as described in more detail in the "Outstanding equity awards at fiscal 2021 year-end" table.

In August 2020, PepGen Limited granted equity awards to certain of our employees, including Dr. Godfrey, who was granted options to purchase 4,100 ordinary shares of PepGen Limited, or the Limited Options. In connection with the Company's Series A preferred stock financing in November 2020, certain of the shares subject to the Limited Options were to have vested. With respect to Dr. Godfrey, 2,312 of the shares subject to her Limited Options vested in connection with the Company's Series A preferred stock financing, and the remaining shares subject to the Limited Options were forfeited. On the same date, Dr. Godfrey exercised her vested Limited Options to purchase ordinary shares of PepGen Limited, which shares were immediately exchanged for shares of the Company in the Reorganization. In connection with the Reorganization, Dr. Godfrey and the Company also agreed to the imposition of time-based vesting conditions on 50% of all shares of the Company held by Dr. Godfrey.

Employment Agreements with our Named Executive Officers

We have entered into an employment contract with each of the named executive officers in connection with their employment or other service relationship with us, which set forth the terms and conditions of their respective employment or service relationship. Following this offering, we intend to enter into new employment agreements with each of Dr. McArthur, Mr. Donnelly and Dr. Goyal.

James McArthur, Ph.D.

On January 21, 2021, we entered into an employment agreement, or the McArthur Employment Agreement, with Dr. McArthur, to be employed as our Chief Executive Officer. The McArthur Employment Agreement provides for Dr. McArthur's annual base salary, a discretionary annual bonus, his initial equity award, as well as his ability to participate in our benefit plans generally. Dr. McArthur's target bonus is equal to 40% of his annual base salary, which will increase to 50% following a "liquidity event" (as defined in the McArthur Employment Agreement).

In the event of a termination of Dr. McArthur's employment by the Company without "cause" or Dr. McArthur's resignation for "good reason" (each as defined in the McArthur Employment Agreement), subject to Dr. McArthur's execution and non-revocation of a release, the Company will pay Dr. McArthur (i) base salary continuation for twelve (12) months, and (ii) subject to Dr. McArthur's election to receive continued health benefits under COBRA, payment of premiums for participation in our health benefit plans (or cash payments equal to the amount of such premiums) for up to twelve (12) months. In addition, in the event that such a termination occurs within twelve (12) months following the effective date of a "change in control" (as defined in the McArthur Employment Agreement), subject to Dr. McArthur's execution and non-revocation of release and provided that Company equity awards have been continued, assumed or substituted by the Company and/or the acquiror or an affiliate thereof in connection with such change in control, any unvested equity awards held by the executive immediately prior to the executive's termination date will be deemed immediately vested effective as of the termination date.

Caroline Godfrey, Ph.D.

On November 1, 2018, PepGen Limited entered into an employment contract, amended in November 2020, or the Godfrey Employment Contract, with Dr. Godfrey, who served as our Chief Executive Officer until January 2021, and currently serves as our Senior Vice President of Discovery. The Godfrey Employment Contract provides for Dr. Godfrey's annual base salary, a discretionary annual bonus, as well as her ability to participate in our benefit plans generally. The Godfrey Employment Contract also provides for a bonus opportunity equal to one times Dr. Godfrey's then current annual base salary upon the achievement of certain milestones related to the Company's Series A preferred stock financing, or the Godfrey Milestone Bonus, which was paid in 2021.

Pursuant to the Godfrey Employment Contract, Dr. Godfrey and the Company may terminate such contract by providing six (6) months' written notice, such notice not to expire at any time before November 24, 2022. In the event that the Company makes Dr. Godfrey redundant at any time prior to November 24, 2022, Dr. Godfrey is eligible to receive a redundancy payment equal to one year of her base salary, in addition to the Milestone Bonus, plus, in the event that the Company terminates Dr. Godfrey's employment with immediate effect, an amount equal to six (6) months of Dr. Godfrey's annual base salary in lieu of notice. Following November 24, 2022, Dr. Godfrey and the Company may terminate the Godfrey Employment Contract by providing three (3) months' written notice. In the event that the Company terminates Dr. Godfrey's employment with immediate effect following November 24, 2022, the Company shall pay Dr. Godfrey an amount equal to three (3) months of her annual base salary in lieu of notice.

Noel Donnelly

On September 29, 2021, we entered into an employment agreement, or the Donnelly Employment Agreement, with Mr. Donnelly, to be employed as our Chief Financial Officer. The Donnelly Employment Agreement provides for Mr. Donnelly's annual base salary, a discretionary annual bonus (pro rated for 2021), his initial equity award, as well as his ability to participate in our benefit plans generally. Mr. Donnelly's target bonus is equal to 40% of his annual base salary. The Donnelly Employment Agreement also provided for a one time cash bonus equal to $100,000 in connection with the closing of an initial public offering prior to December 31, 2021.

In the event of a termination of Mr. Donnelly's employment by the Company without "cause" or his resignation for "good reason" (each as defined in the Donnelly Employment Agreement), subject to Mr. Donnelly's execution and non-revocation of a release, the Company will pay Mr. Donnelly (i) base salary continuation for nine (9) months, and (ii) subject to Mr. Donnelly's election to receive continued health benefits under COBRA, payment of premiums for participation in our health benefit plans for up to nine (9) months.

Jaya Goyal, Ph.D.

On September 17, 2021, we entered into an employment agreement, or the Goyal Employment Agreement, with Dr. Goyal, to be employed as the Executive Vice President, Research and Preclinical Development. The Goyal Employment Agreement provides for Goyal's annual base salary, a $75,000 sign-on bonus, a discretionary annual bonus, her initial equity award grant, as well as her ability to participate in our benefit plans generally. Dr. Goyal's target bonus is equal to 40% of her annual base salary.

In the event of a termination of Dr. Goyal's employment by the Company without "cause" or Dr. Goyal's resignation for "good reason" (each as defined in the Goyal Employment Agreement), subject to Dr. Goyal's execution and non-revocation of a release, the Company will pay Dr. Goyal base salary continuation for nine (9) months.

Outstanding equity awards at fiscal 2021 year-end

The following table sets forth information regarding outstanding equity awards held by our named executive officers as of December 31, 2021. The USD amounts below are based on a weighted-average exchange ratio of GBP £0.7265 to USD $1.00 for the reporting period as set forth on Bloomberg:

			Option Awards(1)				Stock Awards(1)(2)	
Name	Grant Date	Vesting Commencement Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)(2)
James McArthur, Ph.D.	3/21/2021	1/21/2021	362,718(3)	—	2.66	3/21/2031	—	—
	9/6/2021	9/6/2021		359,054(4)	8.80	9/6/2031	—	—
	9/6/2021	9/17/2021	—	41,550(4)	8.80	9/6/2031	—	—
	9/6/2021	10/6/2021	—	41,550(4)	8.80	9/6/2031	—	—
Caroline Godfrey, Ph.D.	11/23/2020	11/24/2020	—	—	—	—	15,780(5)	—
Noel Donnelly	11/11/2021	10/15/2021	—	207,000(4)	10.68	11/11/2031	—	—
Jaya Goyal, Ph.D.	11/11/2021	10/15/2021	—	152,900(4)	10.68	11/11/2031	—	—

(1) All stock options have been granted pursuant to the terms of our 2020 Stock Plan. Upon certain terminations of employment in connection with a change in control, vesting of unvested options and stock awards is fully accelerated, as described above under "—Employment Agreements with our Named Executive Officers".

(2) The market price of our common stock is based on an assumed initial offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus.

(3) This stock option was granted with an early exercise feature. In the event of an early exercise, all options exercised that are still subject to vesting conditions are treated as restricted stock until those vesting conditions are met. In the event of a termination of the holder's employment prior to meeting the vesting conditions, we have the right to repurchase any unvested shares at the original purchase price. The stock option vests over four years following the vesting commencement date, with 25% of such shares vesting on the first anniversary of the vesting commencement date, and the remaining shares vesting in 36 equal monthly installments, subject to the executive's continued service through each vesting date.

(4) The stock option vests over four years following the vesting commencement date, with 25% of such shares vesting on the first anniversary of the vesting commencement date, and the remaining shares vesting in 36 equal monthly installments, subject to the executive's continued service through each vesting date.

(5) Represents the number of unvested shares of our common stock that Dr. Godfrey held as of December 31, 2021, adjusted to reflect the 10:1 stock split, which occurred in November 2020, or the Stock Split. See the section titled "Equity Compensation" for a discussion of the Limited Options that were granted to Dr. Godfrey in 2020 and the subsequent treatment of the Limited Options. These unvested shares shall fully vest in the event of a "change in control" as defined in Dr. Godfrey's stock restriction agreement.

In 2022, our board of directors approved options to certain of our named executive officers that will become effective upon our initial public offering, or the IPO Grants. The IPO Grants will be granted under our 2022 Plan contingent and effective upon the effectiveness of the registration statement of which this prospectus forms a part. The options will have an exercise price per share equal to the initial public offering price in the offering. Dr. McArthur, Dr. Goyal and Mr. Donnelly will each receive options to purchase shares of common stock with a market value of $, $ and $, respectively. The options granted in connection with the IPO Grants will vest as follows: 25% of the shares subject to each award shall vest on the first anniversary of the effective date of the grant and the remaining 75% of the shares subject to each award shall vest in 36 monthly installments thereafter, subject to the named executive officer's continued service to us through each applicable vesting date.

Employee benefits and equity compensation plans

2022 Stock Option and Incentive Plan

Our 2022 Stock Option and Incentive Plan, or 2022 Plan, was adopted by our board of directors on , 2022, approved by our stockholders on , 2022 and will become effective upon the date immediately preceding the date on which the registration statement of which this prospectus is part is declared effective by the SEC. The 2022 Plan will replace the 2020 Plan as our board of directors has determined not to make additional awards under the 2020 Plan following the closing of this offering. However, the 2020 Plan will continue to govern outstanding equity awards granted thereunder. The 2022 Plan allows us to make equity-based and cash-based incentive awards to our officers, employees, directors and consultants.

We have initially reserved shares of our common stock for the issuance of awards under the 2022 Plan, or the Initial Limit. The 2022 Plan provides that the number of shares reserved and available for issuance under the 2022 Plan will automatically increase on January 1, 2023 and each January 1 thereafter, by 5% of the outstanding number of shares of our common stock on the immediately preceding December 31 or such lesser number of shares as determined by our compensation committee, or the Annual Increase. The number of shares reserved under the 2022 Plan subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

The shares we issue under the 2022 Plan will be authorized but unissued shares or shares that we reacquire. The shares of common stock underlying any awards under the 2022 Plan and the 2020 Plan that are forfeited, cancelled, held back upon exercise or settlement of an award to satisfy the exercise price or tax withholding, reacquired by us prior to vesting, satisfied without the issuance of stock, expire or are otherwise terminated (other than by exercise) will be added back to the shares of common stock available for issuance under the 2022 Plan.

The maximum number of shares of common stock that may be issued in the form of incentive stock options shall not exceed the Initial Limit, cumulatively increased on January 1, 2023 and on each January 1 thereafter by the lesser of (i) the Annual Increase for such year or (ii) shares of common stock, in each case subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

The 2022 Plan will be administered by our compensation committee. Our compensation committee has the full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted and the number of shares subject to such awards, to make any combination of awards to participants, to accelerate at any time the exercisability or vesting of any award and to determine the specific terms and conditions of each award, subject to the provisions of the 2022 Plan. Persons eligible to participate in the 2022 Plan will be those full or part-time officers, employees, non-employee directors and consultants as selected from time to time by our compensation committee in its discretion.

The 2022 Plan permits the granting of both options to purchase common stock intended to qualify as incentive stock options under Section 422 of the Code and options that do not so qualify. The option exercise price of each option will be determined by our compensation committee but may not be less than 100% of the fair market value of our common stock on the date of grant unless the option is granted (i) pursuant to a transaction described in, and in a manner consistent with Section 424(a) of the Code or (ii) to individuals who are not subject to U.S. income tax. The term of each option will be fixed by our compensation committee and may not exceed 10 years from the date of grant. Our compensation committee will determine at what time or times each option may be exercised.

Our compensation committee may award stock appreciation rights under the 2022 Plan subject to such conditions and restrictions as it may determine. Stock appreciation rights entitle the recipient to shares of common stock, or cash, equal to the value of the appreciation in our stock price over the exercise price. The exercise price of each stock appreciation right may not be less than 100% of the fair market value of our common

stock on the date of grant unless the stock appreciation right is granted (i) pursuant to a transaction described in, and in a manner consistent with Section 424(a) of the Code or (ii) to individuals who are not subject to U.S. income tax. The term of each stock appreciation right will be fixed by our compensation committee and may not exceed 10 years from the date of grant. Our compensation committee will determine at what time or times each stock appreciation right may be exercised.

Our compensation committee may award restricted shares of common stock and restricted stock units to participants subject to such conditions and restrictions as it may determine. These conditions and restrictions may include the achievement of certain performance goals and/or continued employment with us through a specified vesting period. Our compensation committee may also grant shares of common stock that are free from any restrictions under the 2022 Plan. Unrestricted stock may be granted to participants in recognition of past services or for other valid consideration and may be issued in lieu of cash compensation due to such participant.

Our compensation committee may grant dividend equivalent rights to participants that entitle the recipient to receive credits for dividends that would be paid if the recipient had held a specified number of shares of common stock.

Our compensation committee may grant cash bonuses under the 2022 Plan to participants, subject to the achievement of certain performance goals.

The 2022 Plan provides that upon the effectiveness of a "sale event," as defined in the 2022 Plan, an acquirer or successor entity may assume, continue or substitute outstanding awards under the 2022 Plan. To the extent that awards granted under the 2022 Plan are not assumed or continued or substituted by the successor entity, upon the effective time of the sale event, such awards shall terminate. In such case, except as may be otherwise provided in the relevant award certificate, . In the event of such termination, (i) individuals holding options and stock appreciation rights will be permitted to exercise such options and stock appreciation rights (to the extent exercisable) within a specified period of time prior to the sale event or (ii) we may make or provide for a payment, in cash or in kind, to participants holding vested and exercisable options and stock appreciation rights equal to the difference between the per share consideration payable to stockholders in the sale event and the exercise price of the options or stock appreciation rights and we may make or provide for a payment, in cash or in kind, to participants holding other vested awards.

Our board of directors may amend or discontinue the 2022 Plan and our compensation committee may amend or cancel outstanding awards for purposes of satisfying changes in law or any other lawful purpose, but no such action may adversely affect rights under an award without the holder's consent. Certain amendments to the 2022 Plan require the approval of our stockholders. No awards may be granted under the 2022 Plan after the date that is 10 years from the effective date of the 2022 Plan. No awards under the 2022 Plan have been made prior to the date of this prospectus.

No awards will be granted under the 2022 Plan after the date that is 10 years from the date of stockholder approval. No awards under the New 2022 Plan will be made prior to the date of this prospectus.

2020 Stock Plan

Our board of directors adopted and our stockholders approved our 2020 Stock Plan, or the 2020 Plan, in November 2020. As of April 14, 2022, we reserved an aggregate of 2,345,162 shares of our common stock for the issuance of options and other equity awards under the 2020 Plan. This number is subject to adjustment in the event of a stock split, stock dividend, or other change in our capitalization. As of , 2022, stock options to purchase shares of our common stock at a weighted average exercise price of , per share, and restricted stock were outstanding under the 2020 Plan and shares remained available for issuance under the 2020 Plan. Following this offering, we will not grant any further awards under our 2020 Plan, but all outstanding awards under the 2020 Plan will continue to be governed by their existing terms.

The 2020 Plan allows for the grant of incentive stock options to our employees and any of our subsidiary corporations' employees, and for the grant of nonqualified stock options, restricted stock, unrestricted stock, and restricted stock units awards to employees, officers, directors and consultants of us and our subsidiary corporations.

The 2020 Plan is administered by the our board of directors or a committee appointed by it (the plan administrator). The plan administrator has full power to, among other things, select, from among the individuals eligible for awards, the individuals to whom awards will be granted, to accelerate the time at which a stock award may be exercised or vest, to amend the 2020 Plan and to determine the specific terms and conditions of each award, subject to the provisions of the 2020 Plan.

The plan administrator may exercise its discretion to reduce the exercise price of outstanding stock options under the 2020 Plan or effect repricing through cancellation of such outstanding and by granting such holders new awards in replacement of the cancelled options in accordance with the terms of the 2020 Plan.

Stock options may be granted under our 2020 Plan. The exercise price per share of all stock options must equal at least 100% of the fair market value per share of our common stock on the date of grant. The term of a stock option may not exceed ten years. An incentive stock option granted to a participant who owns more than 10% of the total combined voting power of all classes of our stock on the date of grant, or any subsidiary corporations, may not have a term in excess of five years and must have an exercise price of at least 110% of the fair market value per share of our common stock on the date of grant. The plan administrator will determine the methods of payment of the exercise price of an option, which may include cash, shares or certain other property or other consideration acceptable to the plan administrator. After a participant's termination of service, the participant generally may exercise his or her stock options, to the extent vested as of such date of termination, during a period of three months after termination of service. If a termination of service is due to death or disability, the option generally will remain exercisable, to the extent vested as of such date of termination, until the one-year or six-month anniversary, respectively, of such termination of service. However, in no event may an option be exercised later than the expiration of its term.

Restricted stock units may be granted under our 2020 Plan. A restricted stock unit is an award that covers a number of shares of our common stock that may be settled upon vesting in cash, by the issuance of the underlying shares or a combination of both. The plan administrator determines the terms and conditions of restricted stock units, including the number of units granted, the vesting criteria (which may include specified performance criteria and/or continued service to us) and the form and timing of payment.

Restricted stock may be granted under our 2020 Plan. Restricted stock awards are grants of shares of our common stock that are subject to various restrictions, including restrictions on transferability and forfeitures provisions. Shares of restricted stock will vest, and the restrictions on such shares will lapse, in accordance with terms and conditions established by the plan administrator.

Unrestricted stock may be granted under our 2020 Plan. Unrestricted stock awards may be granted to participants in recognition of past services or for other valid consideration and may be issued in lieu of cash compensation due to such participant.

The 2020 Plan generally does not allow for the transfer or assignment of awards, other than, at the discretion of the plan administrator, by gift to an immediate family member, to trusts for the benefit of family members, or to partnerships in which such family members are the only partners, and only the recipient of an award may exercise such an award during his or her lifetime.

In the event of certain changes in our capitalization, the exercise prices of and the number of shares subject to outstanding awards, and the purchase price of and the numbers of shares subject to outstanding awards will be proportionately adjusted, subject to any required action by our Board or stockholders.

The 2020 Plan provides that in the event the Company is a party to a is a party to a merger or consolidation, or in the event of a sale of all or substantially all of the Company's stock or assets, outstanding awards may be subject to the following treatment: (i) continuation, assumption or substitution with a comparable award; (ii) cancelation in exchange for payment with respect to the vested portion of an award equal to the excess of the value, as determined by the board of directors, of the property received by the holder of a share of stock in the transaction, over, if applicable, the per share exercise price of the award; (iii) cancelation of an option for no consideration, provided that the holder is given notice and the opportunity to exercise the option to the extent vested or will become vested as of the effective date of the transaction during a period of not less than five business days preceding the effective date of the transaction; or (iv) in the case of an option, (A) suspension of the optionee's right to exercise the option during a limited period of time preceding the closing of the transaction if such suspension is administratively necessary to facilitate the closing of the transaction and/or (B) termination of any right the optionee has to exercise the option prior to vesting in the shares subject to the option (i.e., "early exercise"), such that following the closing of the transaction the option may only be exercised to the extent it is vested.an acquirer or successor entity may assume, continue or substitute for the outstanding awards under the 2020 Plan.

The 2020 Plan shall terminate automatically 10 years after the later of (i) the date when the board of directors adopted the plan or (ii) the date when the board of directors approved the most recent increase in the number of shares reserved under the plan that was also approved by the Company's stockholders. Our board of directors may amend, suspend, or terminate the 2020 Plan at any time, subject to stockholder approval where such approval is required by applicable law.

2022 Employee Stock Purchase Plan

Our ESPP was adopted by our board of directors on , 2022, approved by our stockholders on , 2022 and will become effective on the date immediately preceding the date on which the registration statement of which this prospectus forms a part is declared effective by the SEC. The ESPP is intended to qualify as an "employee stock purchase plan" within the meaning of Section 423 of the Code. The ESPP initially reserves and authorizes the issuance of up to a total of shares of our common stock to participating employees. The ESPP provides that the number of shares reserved and available for issuance will automatically increase on January 1, 2023 and each January 1 thereafter through January 1, 2032, by the lesser of (i) shares of our common stock, (ii) 1% of the outstanding number of shares of common stock on the immediately preceding December 31, or (iii) such lesser number of shares of common stock as determined by the administrator of the ESPP. The number of shares reserved under the ESPP is subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

All employees are eligible to participate in the ESPP. However, any employee who owns 5% or more of the total combined voting power or value of all classes of our stock will not be eligible to purchase shares of common stock under the ESPP.

We may make one or more offerings each year to our employees to purchase shares under the ESPP. Offerings will usually begin on each and and will continue for , referred to as offering periods. Each eligible employee may elect to participate in any offering by submitting an enrollment form at least 15 business days before the applicable offering date.

Each employee who is a participant in the ESPP may purchase shares of our common stock by authorizing payroll deductions of up to % of his or her eligible compensation during an offering period. Unless the participating employee has previously withdrawn from the offering, his or her accumulated payroll deductions will be used to purchase shares of our common stock on the last business day of the offering period at a price equal to 85% of the fair market value of the shares of our common stock on the first business day or the last business day of the offering period, whichever is lower, provided that no more than $25,000 worth of common stock (or such other lesser maximum number of shares as may be established by the administrator) may

be purchased by any one employee during any offering period. Under applicable tax rules, an employee may purchase no more than $25,000 worth of shares of our common stock, valued at the start of the purchase period, under the ESPP in any calendar year.

The accumulated payroll deductions of any employee who is not a participant on the last day of an offering period will be refunded. An employee's rights under the ESPP terminate upon voluntary withdrawal from the plan or when the employee ceases employment with us for any reason.

The ESPP may be terminated or amended by our board of directors at any time. An amendment that increases the number of shares of our common stock authorized under the ESPP and certain other amendments require the approval of our stockholders.

Nonqualified Deferred Compensation

Our named executive officers did not participate in, or earn any benefits under, a nonqualified deferred compensation plan sponsored by us during fiscal 2020 or 2021.

401(k) and Pension Scheme

We currently maintain a 401(k) retirement savings plan for our employees, including our named executive officers, who satisfy certain eligibility requirements. Our named executive officers are eligible to participate in the 401(k) plan on the same terms as other full-time employees. Our 401(k) plan is intended to qualify for favorable tax treatment under Section 401(a) of the Code, and contains a cash or deferred feature that is intended to meet the requirements of Section 401(k) of the Code. Our 401(k) plan provides for a non-elective employer contribution equal to 3% of eligible compensation, up to $20,500, regardless of an employee's contribution. We believe that providing a vehicle for tax-deferred retirement savings though our 401(k) plan adds to the overall desirability of our executive compensation package and further incentivizes our employees, including our named executive officers, in accordance with our compensation policies.

The Company currently maintains a personal pension plan provided by the People's Pension Scheme pursuant to which it makes contributions to our UK eligible employee's personal pension plan as we select. Each participant may make additional contributions at his or her discretion. Under this plan, the Company contributes a certain percentage of Dr. Godfrey's base salary to this group personal pension scheme.

Other Benefits

Our named executive officers are eligible to participate in our employee benefit plans on the same basis as our other employees, including our health and welfare plans.

DIRECTOR COMPENSATION

Non-employee director compensation table

The following table presents the total compensation for each person who served as a non-employee member of our board of directors during the fiscal year ended December 31, 2021. Other than as set forth in the table and described more fully below, we did not pay any compensation, make any equity awards or non-equity awards to, or pay any other compensation to any of the non-employee members of our board of directors in 2021 for their services as members of our board of directors. James McArthur, Ph.D., our Chief Executive Officer, received no additional compensation for his service as a director. See the section titled "Executive Compensation" for more information on the compensation paid to or earned by Dr. McArthur for the year ended December 31, 2021. The USD amounts below are based on a weighted-average exchange ratio of GBP £0.7265 to USD $1.00 for the reporting period as set forth on Bloomberg:

Name	Fees Earned or Paid in Cash ($)	Option Awards ($) (1)(2)	All Other Compensation ($)	Total ($)
Matthew Wood, M.D., Ph.D.	—	—	85,253(4)	85,808
Christopher Ashton, Ph.D.	—	96,479	—	96,479
Josh Resnick, M.D., M.B.A.	—	—	—	—
Ramin Farzaneh-Far, M.D.	—	118,105	—	—
Laurie B. Keating(3)	2,362	737,753	—	740,115
Heidi Henson(3)	10,417	335,476	—	345,892

(1) Amounts reported represent the grant date fair value of options to shares of our common stock, calculated in accordance with ASC Topic 718. Such grant date fair value does not take into account any estimated forfeitures.

(2) As of December 31, 2021, Dr. Ashton and Dr. Farzaneh-Far, held options to purchase 17,380 and 19,650 shares of our common stock, respectively and Dr. Wood held 55,000 unvested shares of our common stock. The rest of the non-employee directors did not hold any options to purchase shares of our common stock or unvested shares of our common stock.

(3) Laurie B. Keating and Heidi Henson joined our board of directors in December 2021 and July 2021, respectively.

(4) Amounts reported represent fees paid to Dr. Wood pursuant to a consultancy agreement with PepGen Limited.

Non-Employee Director Compensation Policy

Following this offering, we intend to adopt a non-employee director compensation policy that will be designed to enable us to attract and retain, on a long-term basis, highly qualified non-employee directors.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following is a description of transactions or series of transactions since January 1, 2018, to which we were or will be a party, in which:

- the amount involved in the transaction exceeds, or will exceed, the lesser of $120,000 or one percent of the average of the Company's total assets for the last two completed fiscal years; and
- in which any of our executive officers, directors or holders of five percent or more of any class of our capital stock, including their immediate family members or affiliated entities, had or will have a direct or indirect material interest.

Compensation arrangements for our named executive officers and our directors are described elsewhere in this prospectus under "Executive Compensation" and "Director Compensation—Non-Employee Director Compensation."

Private Placements of Securities

Series A-1 Convertible Preferred Stock Financing

In November 2020, we elected to convert 1,372,970 shares of Class A and Class B common stock that were previously sold for aggregate proceeds of $6.4 million into shares of Series A-1 convertible stock at a price of $4.6372 per share. The following table summarizes purchases of our Series A-1 convertible preferred stock by related persons:

Participant	Shares of Series A Preferred Stock	Total Purchase Price ($)
Oxford Science Enterprises plc(1)	1,285,720	5,962,141

(1) Oxford Science Enterprises plc beneficially owns more than five percent of our outstanding capital stock. Christopher Ashton, Ph.D., is an affiliate of Oxford Sciences Enterprises plc and a member of our board of directors.

Series A-2 Convertible Preferred Stock Financing

In November 2020, with subsequent closings in May 2021 and July 2021, we sold an aggregate of 3,939,069 shares of Series A-2 convertible preferred stock at a purchase price of $11.4240 per share for aggregate proceeds of $45.0 million. The following table summarizes purchases of our Series A-2 convertible preferred stock by related persons:

Participant	Shares of Series A Preferred Stock	Total Purchase Price ($)
Entities Affiliated with RA Capital Management, L.P.(1)	2,801,119	31,999,983
Oxford Science Enterprises plc(2)	962,884	10,999,987

(1) Entities affiliated with RA Capital Management, L.P., or RA Capital, beneficially own more than five percent of our outstanding capital stock. Joshua Resnick, M.D., M.B.A. is an affiliate of RA Capital and is a member of our board of directors.

(2) Oxford Science Enterprises plc beneficially owns more than five percent of our outstanding capital stock. Christopher Ashton, Ph.D., is an affiliate of Oxford Science Enterprises plc and a member of our board of directors.

In connection with the Series A-2 convertible preferred stock financing, we also issued to entities affiliated with RA Capital warrants to purchase, in the aggregate, up to 35,529 shares of Series A-2 convertible preferred stock.

Series B Convertible Preferred Stock Financing

In July 2021, we sold an aggregate of 7,234,766 shares of Series B Convertible Preferred Stock at a purchase price of $15.5499 per share for aggregate proceeds of $112.5 million. The following table summarizes purchases of our Series B Convertible Preferred Stock by related persons:

Participant	Shares of Series B Preferred Stock	Total Purchase Price ($)
Entities Affiliated with RA Capital(1)	2,154,354	33,499,990
Oxford Science Enterprises plc(2)	1,575,572	24,499,987
KAVRA 16 LLC(3)	1,093,254	16,999,990

(1) Entities affiliated with RA Capital beneficially own more than five percent of our outstanding capital stock. Joshua Resnick, M.D., M.B.A. is an affiliate of RA Capital and is a member of our board of directors.
(2) Oxford Science Enterprises plc beneficially owns more than five percent of our outstanding capital stock. Christopher Ashton, Ph.D., is an affiliate of Oxford Science Enterprises plc and a member of our board of directors.
(3) KAVRA 16 LLC beneficially owns more than five percent of our outstanding capital stock.

License Agreement with OUI and MRC

In March 2018, we entered into a license agreement, or OUI/MRC License, with Oxford University Innovation Limited, or OUI, and the Medical Research Council of United Kingdom Research and Innovation, or MRC, which was subsequently amended in December 2018 and further amended and restated in November 2020. Each of OUI and MRC and their affiliates hold shares of the our Series A-1 and Series A-2 preferred stock and Class A common stock. For more information about the OUI/MRC License, see the section titled “Business—Licensing Agreements” located elsewhere in this prospectus.

Other Agreements with Our Stockholders

In connection with our Series B Convertible Preferred Stock financing, we entered into an amended and restated investors’ rights, amended and restated voting and amended and restated right of first refusal and co-sale agreements containing registration rights, information rights, voting rights and rights of first refusal, among other things, with certain holders of our preferred stock and certain holders of our common stock. These stockholder agreements will terminate upon the closing of this offering, except for the registration rights granted under our investors’ rights agreement, as more fully described in “Description of Capital Stock—Registration Rights.”

Indemnification Agreements

We have entered into agreements to indemnify our directors and executive officers. These agreements will, among other things, require us to indemnify these individuals for certain expenses (including attorneys’ fees), judgments, fines and settlement amounts reasonably incurred by such person in any action or proceeding, including any action by or in our right, on account of any services undertaken by such person on our behalf or that person’s status as a member of our board of directors to the maximum extent allowed under Delaware law.

Policies for Approval of Related Party Transactions

Our board of directors reviews and approves transactions with directors, officers and holders of five percent or more of our voting securities and their affiliates, each a related party. Prior to this offering, the

material facts as to the related party's relationship or interest in the transaction are disclosed to our board of directors prior to their consideration of such transaction, and the transaction is not considered approved by our board of directors unless a majority of the directors who are not interested in the transaction approve the transaction. Further, when stockholders are entitled to vote on a transaction with a related party, the material facts of the related party's relationship or interest in the transaction are disclosed to the stockholders, who must approve the transaction in good faith.

In connection with this offering, we have adopted a written related party transactions policy that such transactions must be approved by our audit committee. This policy will become effective on the date on which the registration statement of which this prospectus is part is declared effective by the SEC.

PRINCIPAL STOCKHOLDERS

The following table sets forth certain information known to us regarding beneficial ownership of our capital stock as of December 31, 2021, as adjusted to reflect the sale of common stock offered by us in this offering, for:

- each person or group of affiliated persons known by us to be the beneficial owner of more than five percent of our capital stock;
- each of our named executive officers;
- each of our directors; and
- all of our executive officers and directors as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Under those rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power with respect to the securities as well as any shares of common stock that the individual or entity has the right to acquire within 60 days of December 31, 2021 through the exercise of stock options or other rights. These shares are deemed to be outstanding and beneficially owned by the person holding those options for the purpose of computing the percentage ownership of that person, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Except as noted by footnote, and subject to community property laws where applicable, we believe, based on the information provided to us, that the persons and entities named in the table below have sole voting and investment power with respect to all common stock shown as beneficially owned by them.

Each individual or entity shown on the table has furnished information with respect to beneficial ownership. Unless otherwise indicated, the address for each beneficial owner is c/o PepGen Inc., 245 Main St. 2nd Floor, Cambridge, Massachusetts 02142.

The percentage of beneficial ownership prior to this offering in the table below is based on shares of common stock deemed to be outstanding as of December 31, 2021, assuming the conversion of all outstanding shares of our preferred stock immediately prior to the completion of this offering, and the percentage of beneficial ownership at this offering in the table below is based on shares of common stock assumed to be outstanding after the closing of the offering. The information in the table below assumes no exercise of the underwriters' option to purchase additional shares.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Outstanding Beneficially Owned	
		Before Offering	After Offering
5% or Greater Stockholders			
Entities Affiliated with RA Capital(1)			
Oxford Science Enterprises plc(2)			
KAVRA 16 LLC(3)			
Directors, Named Executive Officers and Other Executive Officers:			
Christopher Ashton, Ph.D.(4)			
Joshua Resnick, M.D., M.B.A.(5)			
Heidi Henson(6)			
Laurie B. Keating, J.D.(7)			
James McArthur, Ph.D.(8)			

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Outstanding Beneficially Owned	
		Before Offering	After Offering
Noel Donnelly, M.B.A.(9)			
Jaya Goyal, Ph.D.(10)			
Sonia Bracegirdle, D.Phil.(11)			
Niels Svenstrup, Ph.D.(12)			
Michelle L. Mellion, M.D.			
All executive officers and directors as a group (10 persons)			

* Less than one percent.

(1) Consists of (i) 2,172,189 shares of common stock issuable upon conversion of Series A-2 Convertible Preferred Stock, 1,508,048 shares of common stock issuable upon conversion of Series B Convertible Preferred Stock and 27,552 shares of common stock issuable upon the exercise of Series A-2 preferred warrants held by RA Capital Healthcare Fund, L.P., or RACHF, (ii) 420,168 shares of common stock issuable upon conversion of Series A-2 Convertible Preferred Stock, 646,306 shares of common stock issuable upon conversion of Series B Convertible Preferred Stock and 5,329 shares of common stock issuable upon the exercise of Series A-2 preferred warrants held by RA Capital Nexus Fund II, L.P., or Nexus II, and (iii) 208,762 shares of common stock issuable upon conversion of Series A-2 Convertible Preferred Stock and 2,648 shares of common stock issuable upon the exercise of Series A-2 preferred warrants held by Blackwell Partners LLC – Series A, or Blackwell. RA Capital Management, LP, or RACM, is the investment adviser to RACHF, Nexus II and Blackwell. RA Capital Healthcare Fund GP, LLC is the general partner of RACHF. The general partner of Nexus II is RA Capital Nexus Fund II GP, LLC. Peter Kolchinsky and Rajeev Shah are the managing members of RACM, RA Capital Healthcare Fund GP, LLC and RA Capital Nexus Fund II GP, LLC and have the power to vote or dispose of the shares held by each entity. Joshua Resnick, a member of our board of directors, serves as a Managing Director at RACM. The business address of RA Capital is 200 Berkeley Street, 18th Floor, Boston, Massachusetts 02116.

(2) Consists of (i) 121,000 shares of Class A common stock, (ii) 1,285,720 shares of common stock issuable upon conversion of our Series A-1 Convertible Preferred Stock, (iii) 962,884 shares of common stock issuable upon conversion of our Series A-2 Convertible Preferred Stock and (iv) 1,575,572 shares of common stock issuable upon conversion of our Series B Convertible Preferred Stock. Christopher Ashton, a member of our board of directors, serves as an Advisor to Oxford Science Enterprises plc. The business address for each person and entity named in this footnote is 46 Woodstock Road, Oxford, OX2 6HT, United Kingdom.

(3) Consists of .

(4) Consists of (i) shares of common stock and (ii) shares of common stock that the person has the right to acquire within 60 days of through the exercise of stock options.

(5) Consists of (i) shares of common stock and (ii) shares of common stock that the person has the right to acquire within 60 days of through the exercise of stock options.

(6) Consists of (i) shares of common stock and (ii) shares of common stock that the person has the right to acquire within 60 days of through the exercise of stock options.

(7) Consists of (i) shares of common stock and (ii) shares of common stock that the person has the right to acquire within 60 days of through the exercise of stock options.

(8) Consists of (i) shares of common stock and (ii) shares of common stock that the person has the right to acquire within 60 days of through the exercise of stock options.

(9) Consists of (i) shares of common stock and (ii) shares of common stock that the person has the right to acquire within 60 days of through the exercise of stock options.

(10) Consists of (i) shares of common stock and (ii) shares of common stock that the person has the right to acquire within 60 days of through the exercise of stock options.

(11) Consists of (i) shares of common stock and (ii) shares of common stock that the person has the right to acquire within 60 days of through the exercise of stock options.

(12) Consists of (i) shares of common stock and (ii) shares of common stock that the person has the right to acquire within 60 days of through the exercise of stock options.

DESCRIPTION OF CAPITAL STOCK

The following descriptions are summaries of the material terms of our amended and restated certificate of incorporation, which will be effective upon the closing of this offering and amended and restated bylaws, which will be effective upon the effectiveness of the registration statement of which this prospectus is a part. The descriptions of the common stock and preferred stock give effect to changes to our capital structure that will occur immediately prior to the completion of this offering. We refer in this section to our amended and restated certificate of incorporation as our certificate of incorporation, and we refer to our amended and restated bylaws as our bylaws.

General

Upon completion of this offering, our authorized capital stock will consist of shares of common stock, par value $0.0001 per share, and shares of preferred stock, par value $0.0001 per share, all of which shares of preferred stock will be undesignated.

As of December 31, 2021, 1,051,720 shares of our common stock were outstanding and held by 14 stockholders of record. This amount assumes the conversion of all outstanding shares of our preferred stock into common stock, which will occur immediately prior to the closing of this offering.

Common stock

The holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of the stockholders. The holders of our common stock do not have any cumulative voting rights. Holders of our common stock are entitled to receive ratably any dividends declared by our board of directors out of funds legally available for that purpose, subject to any preferential dividend rights of any outstanding preferred stock. Our common stock has no preemptive rights, conversion rights or other subscription rights or redemption or sinking fund provisions.

In the event of our liquidation, dissolution or winding up, holders of our common stock will be entitled to share ratably in all assets remaining after payment of all debts and other liabilities and any liquidation preference of any outstanding preferred stock. The shares to be issued by us in this offering will be, when issued and paid for, validly issued, fully paid and non-assessable.

Preferred stock

Immediately prior to the completion of this offering, all outstanding shares of our preferred stock will be converted into shares of our common stock. Upon the consummation of this offering, our board of directors will have the authority, without further action by our stockholders, to issue up to shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting, or the designation of, such series, any or all of which may be greater than the rights of common stock. The issuance of our preferred stock could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments and payments upon our liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change in control of our Company or other corporate action. Immediately after consummation of this offering, no shares of preferred stock will be outstanding, and we have no present plan to issue any shares of preferred stock.

Warrants

In connection with the Series A-2 Convertible Preferred Stock financing on November 24, 2020, we also issued to entities affiliated with RA Capital warrants to purchase, in the aggregate, up to 35,529 shares of

Series A-2 Convertible Preferred Stock at a price per share equal to $11.42 and with a term ending upon the earlier of an underwritten public offering pursuant to an effective registration statement under the Securities Act, the consummation of a Deemed Liquidation Event, as such term is defined in our amended and restated certificate of incorporation or 10 years. Unless earlier exercised, these warrants will automatically be net-exercised in connection with our initial public offering.

Registration rights

Upon the completion of this offering, the holders of shares of our common stock, including those issuable upon the conversion of preferred stock, will be entitled to rights with respect to the registration of these securities under the Securities Act. These rights are provided under the terms of our Investor Rights Agreement, dated July 30, 2021, or the Investor Rights Agreement, between us and the holders of our preferred stock. The Investor Rights Agreement includes demand registration rights, short-form registration rights, and piggyback registration rights. All fees, costs and expenses of underwritten registrations under this agreement will be borne by us and all selling expenses, including underwriting discounts and selling commissions, will be borne by the holders of the shares being registered pro rata on the basis of the number of registrable securities registered on their behalf (other than the counsel of an individual holder, which is borne solely by the holder engaging such counsel).

Demand registration rights

Beginning 180 days after the completion of this offering, the holders of shares of our common stock, including those issuable upon the conversion of shares of our preferred stock upon closing of this offering, will be entitled to demand registration rights. Under the terms of the Investor Rights Agreement, we will be required, upon the written request of at least 40% of holders of the registrable securities then outstanding that would result in an aggregate offering price of at least $15.0 million, to file a registration statement and to use commercially reasonable efforts to effect the registration of all or a portion of these shares for public resale.

Short-form registration rights

Upon the completion of this offering, the holders of shares of our common stock, including those issuable upon the conversion of shares of our preferred stock upon closing of this offering, are also entitled to short-form registration rights. Pursuant to the Investor Rights Agreement, if we are eligible to file a registration statement on Form S-3, upon the written request of the holders of at least 30% of the registrable securities then outstanding to sell registrable securities at an aggregate price of at least $5.0 million, we will be required to use commercially reasonable efforts to effect a registration of such shares. We are required to effect only two registrations in any twelve-month period pursuant to this provision of the Investor Rights Agreement.

Piggyback registration rights

Upon the completion of this offering, the holders of shares of our common stock, including those issuable upon the conversion of shares of our preferred stock upon closing of this offering, are entitled to piggyback registration rights. If we register any of our securities either for our own account or for the account of other security holders, the holders of these shares are entitled to include their shares in the registration. Subject to certain exceptions contained in the Investor Rights Agreement, we and the underwriters may limit the number of shares included in the underwritten offering to the number of shares which we and the underwriters determine in our sole discretion will not jeopardize the success of the offering.

Indemnification

The Investor Rights Agreement contains customary cross-indemnification provisions, under which we are obligated to indemnify holders of registrable securities in the event of material misstatements or omissions in the registration statement attributable to us, and they are obligated to indemnify us for material misstatements or omissions attributable to them.

Expiration of registration rights

The demand registration rights and short-form registration rights granted under the Investor Rights Agreement will terminate (1) with respect to a holder that then holds less than 1% of our outstanding shares of capital stock, such time after the completion of this offering as an SEC Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such holder's shares without limitation, during a three-month period without registration or (2) on the third anniversary of the completion of this offering.

Anti-takeover effects of our certificate of incorporation and bylaws and Delaware Law

Our certificate of incorporation and bylaws include a number of provisions that may have the effect of delaying, deferring or preventing another party from acquiring control of us and encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our board of directors rather than pursue non-negotiated takeover attempts. These provisions include the items described below.

Board composition and filling vacancies

Our certificate of incorporation provides for the division of our board of directors into three classes serving staggered three-year terms, with one class being elected each year. Our certificate of incorporation also provides that directors may be removed only for cause and then only by the affirmative vote of the holders of two-thirds or more of the shares then entitled to vote at an election of directors. Furthermore, any vacancy on our board of directors, however occurring, including a vacancy resulting from an increase in the size of our board, may only be filled by the affirmative vote of a majority of our directors then in office even if less than a quorum. The classification of directors, together with the limitations on removal of directors and treatment of vacancies, has the effect of making it more difficult for stockholders to change the composition of our board of directors.

No written consent of stockholders

Our certificate of incorporation provides that all stockholder actions are required to be taken by a vote of the stockholders at an annual or special meeting, and that stockholders may not take any action by written consent in lieu of a meeting. This limit may lengthen the amount of time required to take stockholder actions and would prevent the amendment of our bylaws or removal of directors by our stockholders without holding a meeting of stockholders.

Meetings of stockholders

Our certificate of incorporation and bylaws provide that only a majority of the members of our board of directors then in office may call special meetings of stockholders and only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders. Our bylaws limit the business that may be conducted at an annual meeting of stockholders to those matters properly brought before the meeting.

Advance notice requirements

Our bylaws establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of our stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the annual meeting for the preceding year. Our bylaws specify the requirements as to form and content of all stockholders' notices. These requirements may preclude stockholders from bringing matters before the stockholders at an annual or special meeting.

Amendment to certificate of incorporation and bylaws

Any amendment of our certificate of incorporation must first be approved by a majority of our board of directors, and if required by law or our certificate of incorporation, must thereafter be approved by a majority of the outstanding shares entitled to vote on the amendment and a majority of the outstanding shares of each class entitled to vote thereon as a class, except that the amendment of the provisions relating to stockholder action, board composition, and limitation of liability must be approved by not less than two-thirds of the outstanding shares entitled to vote on the amendment, and not less than two-thirds of the outstanding shares of each class entitled to vote thereon as a class. Our bylaws may be amended by the affirmative vote of a majority of the directors then in office, subject to any limitations set forth in the bylaws; and may also be amended by the affirmative vote of a majority of the outstanding shares entitled to vote on the amendment, voting together as a single class, except that the amendment of the provisions relating to notice of stockholder business and nominations and special meetings must be approved by not less than two-thirds of the outstanding shares entitled to vote on the amendment, and not less than two-thirds of the outstanding shares of each class entitled to vote thereon as a class, or, if our board of directors recommends that the stockholders approve the amendment, by the affirmative vote of the majority of the outstanding shares entitled to vote on the amendment, in each case voting together as a single class.

Undesignated preferred stock

Upon the completion of this offering, our certificate of incorporation will provide for authorized shares of preferred stock. The existence of authorized but unissued shares of preferred stock may enable our board of directors to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise. For example, if in the due exercise of its fiduciary obligations, our board of directors were to determine that a takeover proposal is not in the best interests of our stockholders, our board of directors could cause shares of preferred stock to be issued without stockholder approval in one or more private offerings or other transactions that might dilute the voting or other rights of the proposed acquirer or insurgent stockholder or stockholder group.

In this regard, our certificate of incorporation grants our board of directors broad power to establish the rights and preferences of authorized and unissued shares of preferred stock. The issuance of shares of preferred stock could decrease the amount of earnings and assets available for distribution to holders of shares of common stock. The issuance may also adversely affect the rights and powers, including voting rights, of these holders and may have the effect of delaying, deterring or preventing a change in control of us.

Exclusive Forum

Our bylaws to be adopted upon the completion of this offering will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for any state law claims for: (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers and employees to us or our stockholders; (3) any action asserting a claim arising pursuant to the Delaware General Corporation Law or our certificate of incorporation or bylaws (including the interpretation, validity or enforceability thereof) or (4) any action asserting a claim that is governed by the internal affairs doctrine; provided, however, that this provision shall not apply to any causes of action arising under the Securities Act or the Exchange Act. In addition, our amended and restated bylaws will provide that, unless we consent to an alternative forum, the federal district courts of the United States shall be the sole and exclusive forum for resolving any complaint asserting a cause of action under the Securities Act (the Federal Forum Provision). Any person or entity purchasing or otherwise acquiring any interest in our securities shall be deemed to have notice of and consented to these forum provisions. These forum provisions may impose additional costs on stockholders, may limit our stockholders' ability to bring a claim in a forum they find favorable, and the designated courts may reach different judgements or results than other courts. In addition, there is uncertainty as to whether our Federal Forum Provision will be enforced, which may impose additional costs on us and our stockholders.

Section 203 of the Delaware General Corporation Law

Upon completion of this offering, we will be subject to the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a three-year period following the time that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- before the stockholder became interested, our board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances, but not the outstanding voting stock owned by the interested stockholder; or
- at or after the time the stockholder became interested, the business combination was approved by our board of directors and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Section 203 defines a business combination to include:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, lease, pledge or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;
- subject to exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- subject to exceptions, any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; and
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges, or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by the entity or person.

Nasdaq Global Market listing

We intend to apply to list our common stock on The Nasdaq Global Market under the trading symbol "PEPG".

Transfer agent and registrar

The transfer agent and registrar for our common stock will be . The transfer agent and registrar's address is , and its telephone number is .

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our shares. Future sales of our common stock in the public market, or the availability of such shares for sale in the public market, could adversely affect market prices prevailing from time to time. As described below, only a limited number of shares will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Nevertheless, sales of our common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price at such time and our ability to raise equity capital in the future.

Based on the number of shares outstanding as of , 2022, upon the completion of this offering, shares of our common stock will be outstanding, assuming no exercise of the underwriters' option to purchase additional shares and no exercise of outstanding options. Of the outstanding shares, all of the shares sold in this offering will be freely tradable, except that any shares held by our affiliates, as that term is defined in Rule 144 under the Securities Act, may only be sold in compliance with the limitations described below, and shares of our common stock are restricted shares of common stock subject to time-based vesting terms.

Rule 144

In general, a person who has beneficially owned restricted stock for at least six months would be entitled to sell their securities provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, a sale and (ii) we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned restricted shares for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of shares then outstanding, which will equal approximately shares immediately after this offering assuming no exercise of the underwriters' option to purchase additional shares, based on the number of shares outstanding as of , 2022; or

- the average weekly trading volume of our common stock on The Nasdaq Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale;

provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144.

Rule 701

Rule 701 under the Securities Act, as in effect on the date of this prospectus, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement. Most of our employees, executive officers, or directors who purchased shares under a written compensatory plan or contract may be entitled to rely on the resale provisions of Rule 701, but all holders of Rule 701 shares are required to wait until 90 days after the effectiveness of the registration statement of which this prospectus forms a part before selling their shares. However, substantially all Rule 701 shares are subject to lock-up agreements as described below and under "Underwriting" included elsewhere in this prospectus and will become eligible for sale upon the expiration of the restrictions set forth in those agreements.

Lock-Up Agreements

We, all of our directors and executive officers, and the holders of substantially all of our capital stock and securities convertible into or exchangeable for our capital stock have entered into lock-up agreements with

the underwriters and/or are subject to market standoff agreements or other agreements with us, which prevents them from selling any of our common stock or any securities convertible into or exercisable or exchangeable for common stock for a period of not less than 180 days from the date of this prospectus without the prior written consent of the representatives, subject to certain exceptions. See the section titled "Underwriting" appearing elsewhere in this prospectus for more information.

Rule 10b5-1 Trading Plans

Following the completion of this offering, certain of our officers, directors and significant stockholders may adopt written plans, known as Rule 10b5-1 trading plans, in which they will contract with a broker to buy or sell shares of our common stock on a periodic basis to diversify their assets and investments. Under these 10b5-1 trading plans, a broker may execute trades pursuant to parameters established by the officer, director or stockholder when entering into the plan, without further direction from such officer, director or stockholder. Such sales would not commence until the expiration of the applicable lock-up agreements entered into by such officer, director or stockholder in connection with this offering.

Registration Rights

Upon completion of this offering, certain holders of our securities will be entitled to various rights with respect to registration of their shares under the Securities Act. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration statement. See the section titled "Description of Capital Stock—Registration rights" appearing elsewhere in this prospectus for more information.

Equity Incentive Plans

We intend to file one or more registration statements on Form S-8 under the Securities Act to register our shares issued or reserved for issuance under our equity incentive plans. The first such registration statement is expected to be filed soon after the date of this prospectus and will automatically become effective upon filing with the SEC. Accordingly, shares registered under such registration statement will be available for sale in the open market, unless such shares are subject to vesting restrictions with us or the lock-up restrictions described above.

Warrants

The 35,529 shares of Series A-2 Convertible Preferred Stock issuable under the Warrants may be available for sale in the open market once issued and converted to common stock, subject to resale restrictions under Rule 144 for certain affiliates of ours that may hold such warrants at the time of such exercise.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS OF COMMON STOCK

The following discussion is a summary of material U.S. federal income tax considerations applicable to non-U.S. holders (as defined below) with respect to their purchase, ownership and disposition of shares of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. For purposes of this discussion, a non-U.S. holder means a beneficial owner of our common stock that is, for U.S. federal income tax purposes:

- a non-resident alien individual;
- a corporation or any other organization taxable as a corporation for U.S. federal income tax purposes that is created or organized in or under laws other than the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is not subject to U.S. federal income tax on a net income basis; or
- a trust that (1) (a) has not made an election to be treated as a U.S. person under applicable U.S. Treasury regulations and (b) either (i) is not subject to the primary supervision of a court within the United States or (ii) is not subject to the substantial control of one or more U.S. persons or (2) the income of which is not subject to U.S. federal income tax on a net income basis.

This discussion does not address the tax treatment of partnerships or other entities or arrangements that are treated as pass-through entities for U.S. federal income tax purposes or persons that hold their shares of our common stock through partnerships or such other pass-through entities. The tax treatment of a partner in a partnership or other entity or arrangement that is treated as a pass-through entity for U.S. federal income tax purposes generally will depend upon the status of the partner and the activities of the partnership. A partner in a partnership or an investor in any other pass-through entity that will hold our common stock should consult his, her or its tax advisor regarding the tax consequences of acquiring, holding and disposing of our common stock through a partnership or other pass-through entity, as applicable.

This discussion is based on current provisions of the Code, existing and proposed U.S. Treasury regulations promulgated thereunder, current administrative rulings and judicial decisions, all as in effect as of the date of this prospectus and, all of which are subject to change or to differing interpretation, possibly with retroactive effect. Any such change or differing interpretation could alter the tax consequences to non-U.S. holders described in this prospectus. We have not sought and will not seek any rulings from the Internal Revenue Service, or the IRS, regarding the matters discussed below and there can be no assurance that the IRS will not challenge one or more of the tax consequences described herein or that any such challenge would not be sustained by a court. We assume in this discussion that a non-U.S. holder holds shares of our common stock as a "capital asset" within the meaning of Section 1221 of the Code, which is generally property held for investment.

This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular non-U.S. holder in light of that non-U.S. holder's individual circumstances, including the alternative minimum tax, the Medicare tax on net investment income, the special tax accounting rules under Section 451(b) of the Code, the rules relating to "qualified small business stock," any U.S. federal tax other than the income tax (including, for example, the estate or gift tax), or any aspects of U.S. state, local or non-U.S. taxes. This discussion also does not consider any specific facts or circumstances that may apply to a non-U.S. holder and does not address the special tax rules applicable to particular non-U.S. holders, such as:

1. insurance companies;
2. tax-exempt or governmental organizations;

3. financial institutions;

4. brokers or dealers in securities;

5. regulated investment companies;

6. pension plans;

7. "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;

8. "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code or entities wholly owned by a "qualified foreign pension fund";

9. persons that own, or are deemed to own, more than 5% of our capital stock;

10. persons deemed to sell our common stock under the constructive sale provisions of the Code;

11. persons that hold our common stock as part of a straddle, hedge, conversion transaction, synthetic security or other integrated investment;

12. persons that hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation; and

13. U.S. expatriates and former citizens or long-term residents of the United States.

This discussion is for general information only and is not tax advice. Accordingly, all prospective non-U.S. holders of our common stock should consult their tax advisors with respect to the U.S. federal, state, local, estate and non-U.S. tax consequences of the purchase, ownership and disposition of our common stock.

Distributions on our common stock

As described in the "Dividend Policy" section above, we do not intend to pay any dividends in cash or property on our common stock to our stockholders in the foreseeable future. Distributions of cash or property, if any, on shares of our common stock generally will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits, the excess will be treated as a return of the non-U.S. holder's investment, up to such holder's adjusted tax basis in the shares of common stock (not below zero). Any remaining excess will be treated as capital gain, subject to the tax treatment described below in "Gain on sale, exchange or other taxable disposition of shares of our common stock." Any such distributions will also be subject to the discussion below under the section titled "Withholding and information reporting requirements—FATCA."

Subject to the discussion in the following two paragraphs in this section, dividends paid to a non-U.S. holder generally will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends or such lower rate specified by an applicable income tax treaty between the United States and such holder's country of residence, if such holder is qualified for the benefits of such tax treaty. A non-U.S. holder of shares of our common stock who claims the benefit of an applicable income tax treaty between the United States and such holder's country of residence generally will be required to provide a properly executed IRS Form W-8BEN or W-8BEN-E (or a successor form) to the applicable withholding agent and satisfy applicable certification and other requirements. Non-U.S. holders are urged to consult their tax advisors regarding their entitlement to benefits under a relevant income tax treaty. A non-U.S. holder that is eligible for a reduced rate of U.S. withholding tax under an income tax treaty may generally obtain a refund or credit of any excess amounts withheld by timely filing an appropriate claim with the IRS.

Dividends that are treated as effectively connected with a trade or business conducted by a non-U.S. holder within the United States and, if an applicable income tax treaty so provides, that are attributable to a permanent establishment or a fixed base maintained by the non-U.S. holder within the United States, are generally exempt from the 30% withholding tax if the non-U.S. holder delivers a properly executed IRS Form W-8ECI, stating that the dividends are so connected and satisfies applicable certification and disclosure requirements. However, such U.S. effectively connected income, net of specified deductions and credits, is taxed at the same U.S. federal income tax rates applicable to United States persons (as defined in the Code). Any U.S. effectively connected income received by a non-U.S. holder that is a corporation may also, under certain circumstances, be subject to an additional "branch profits tax" at a 30% rate or such lower rate as specified by an applicable income tax treaty between the United States and such holder's country of residence.

Gain on sale, exchange or other taxable disposition of shares of our common stock

Subject to the discussion below under "Withholding and information reporting requirements—FATCA," a non-U.S. holder generally will not be subject to any U.S. federal income tax on any gain realized upon such holder's sale, exchange or other taxable disposition of shares of our common stock unless:

1. the gain is effectively connected with the non-U.S. holder's conduct of a U.S. trade or business and, if an applicable income tax treaty so provides, is attributable to a permanent establishment or a fixed-base maintained by such non-U.S. holder in the United States, in which case the non-U.S. holder generally will be taxed on a net income basis at the same U.S. federal income tax rates applicable to United States persons (as defined in the Code) and, if the non-U.S. holder is a foreign corporation, the branch profits tax at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty between the United States and such holder's country of residence) may also apply as described above in "Distributions on our common stock" also may apply;

2. the non-U.S. holder is a nonresident alien individual who is present in the United States for a period or periods aggregating 183 days or more in the taxable year of the disposition and certain other conditions are met, in which case the non-U.S. holder will be subject to a 30% tax (or such lower rate as may be specified by an applicable income tax treaty between the United States and such holder's country of residence) on the gain derived from the disposition, which may be offset by certain U.S. source capital losses of the non-U.S. holder, if any (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses, if any; or

3. we are, or have been, at any time during the five-year period preceding such sale or other taxable disposition (or the non-U.S. holder's holding period, if shorter) a "U.S. real property holding corporation," unless our common stock is regularly traded on an established securities market, within the meaning of the relevant provisions of the Code, and the non-U.S. holder holds no more than 5% of our outstanding common stock, directly or indirectly, actually or constructively, during the shorter of the five-year period ending on the date of the disposition or the period that the non-U.S. holder held our common stock. If we are determined to be a U.S. real property holding corporation and the foregoing exception does not apply, then the non-U.S. holder generally will be taxed on its gain derived from the disposition at the U.S. federal income tax rates applicable to United States persons (as defined in the Code). Generally, a corporation is a "U.S. real property holding corporation" only if the fair market value of its "U.S. real property interests" (as defined in the Code and applicable U.S. Treasury regulations) equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. Although there can be no assurance, we do not believe that we are, or have been, a "U.S. real property holding corporation" for U.S. federal income tax purposes, or that we are likely to become one in the future. No assurance can be provided that our common stock will be regularly traded on an established securities market for purposes of the rules described above.

Backup withholding and information reporting

We must report annually to the IRS and to each non-U.S. holder the gross amount of the distributions on shares of our common stock paid to such holder and the tax withheld, if any, with respect to such distributions. Non-U.S. holders may have to comply with specific certification procedures to establish that the holder is not a United States person (as defined in the Code) in order to avoid backup withholding at the applicable rate with respect to dividends on shares of our common stock. Generally, a non-U.S. holder will comply with such procedures if it provides a properly executed IRS Form W-8BEN, W-8BEN-E or W-8ECI (or other applicable IRS Form W-8), or otherwise meets documentary evidence requirements for establishing that it is a non-U.S. holder, or otherwise establishes an exemption. Dividends paid to non-U.S. holders subject to withholding of U.S. federal income tax, as described above in "Distributions on our common stock," generally will be exempt from U.S. backup withholding.

Information reporting and backup withholding will generally apply to the proceeds of a disposition of shares of our common stock by a non-U.S. holder effected by or through the U.S. office of any broker, U.S. or non-U.S., unless the holder certifies its status as a non-U.S. holder and satisfies certain other requirements, or otherwise establishes an exemption. Generally, information reporting and backup withholding will not apply to a payment of disposition proceeds to a non-U.S. holder where the transaction is effected outside the United States through a non-U.S. office of a broker. However, for information reporting purposes, dispositions effected through a non-U.S. office of a broker with certain U.S. connections generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker. Non-U.S. holders should consult their tax advisors regarding the application of the information reporting and backup withholding rules to them. Copies of information returns may be made available to the tax authorities of the country in which the non-U.S. holder resides or is incorporated under the provisions of a specific treaty or agreement. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder can be refunded or credited against the non-U.S. holder's U.S. federal income tax liability, if any, provided that an appropriate claim is filed with the IRS in a timely manner.

Withholding and information reporting requirements—FATCA

The Foreign Account Tax Compliance Act, or FATCA, generally imposes a U.S. federal withholding tax at a rate of 30% on payments of dividends on our common stock paid to a foreign entity unless (i) if the foreign entity is a "foreign financial institution," such foreign entity undertakes certain due diligence, reporting, withholding, and certification obligations, (ii) if the foreign entity is not a "foreign financial institution," such foreign entity identifies certain of its U.S. investors, if any, or (iii) the foreign entity is otherwise exempt under FATCA. Such withholding may also apply to payments of gross proceeds of sales or other dispositions of shares of our common stock, although under proposed U.S. Treasury regulations (the preamble to which specifies that taxpayers, including withholding agents, are generally permitted to rely on them pending finalization), no withholding will apply to payments of gross proceeds. Under certain circumstances, a non-U.S. holder may be eligible for refunds or credits of this withholding tax. An intergovernmental agreement between the United States and an applicable foreign country may modify the requirements described in this paragraph. Non-U.S. holders should consult their tax advisors regarding the possible implications of this legislation on their investment in our common stock and the entities through which they hold our shares of common stock, including, without limitation, the process and deadlines for meeting the applicable requirements to prevent the imposition of the 30% withholding tax under FATCA.

The preceding discussion of material U.S. federal tax considerations is for prospective investors' information only. It is not tax advice. Prospective investors should consult their own tax advisors regarding the particular U.S. federal, state, local, and non-U.S. tax consequences of purchasing, holding, and disposing of our common stock, including the consequences of any proposed changes in applicable laws, as well as tax consequences arising under any state, local, non-U.S. or U.S. federal non-income tax laws such as estate and gift tax or under any applicable tax treaty.

UNDERWRITING

BofA Securities, Inc., SVB Securities LLC and Stifel, Nicolaus & Company, Incorporated are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock set forth opposite its name below.

Underwriter	Number of Shares
BofA Securities, Inc.	
SVB Securities LLC	
Stifel, Nicolaus & Company, Incorporated	
Wedbush Securities Inc.	
Total	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of $ per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	Per Share	Without Option	With Option
Public offering price	$	$	$
Underwriting discount	$	$	$
Proceeds, before expenses, to us	$	$	$

The expenses of the offering, not including the underwriting discount, are estimated at $ and are payable by us. We have also agreed to reimburse the underwriters for certain of their expenses in an amount up to $.

Option to Purchase Additional Shares

We have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus, to purchase up to additional shares at the public offering price, less the underwriting discount. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

No Sales of Similar Securities

We, our executive officers and directors and our other existing security holders have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 180 days after the date of this prospectus without first obtaining the written consent of BofA Securities, Inc., SVB Securities LLC and Stifel, Nicolaus & Company, Incorporated. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly

- offer, pledge, sell or contract to sell any common stock,
- sell any option or contract to purchase any common stock,
- purchase any option or contract to sell any common stock,
- grant any option, right or warrant for the sale of any common stock,
- lend or otherwise dispose of or transfer any common stock,
- request or demand that we file or make a confidential submission of a registration statement related to the common stock, or
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise; or
- publicly disclose the intention to do any of the foregoing.

This lock-up provision applies to common stock and to securities convertible into or exchangeable or exercisable for or repayable with common stock. It also applies to common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition.

Nasdaq Global Market Listing

We expect the shares to be approved for listing on the Nasdaq Global Market, subject to notice of issuance, under the symbol "PEPG."

Determination of Offering Price

Before this offering, there has been no public market for our common stock. The initial public offering price will be determined through negotiations between us and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us,

- our financial information,
- the history of, and the prospects for, our company and the industry in which we compete,
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future revenues,
- the present state of our development, and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the shares in the aggregate to accounts over which they exercise discretionary authority.

Price Stabilization, Short Positions and Penalty Bids

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. “Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option granted to them. “Naked” short sales are sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters’ purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the Nasdaq Global Market, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Distribution

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail.

Other Relationships

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

European Economic Area

In relation to each Member State of the European Economic Area, or Relevant State, no Shares have been offered or will be offered pursuant to this offering to the public in that Relevant State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

a. to any legal entity which is a qualified investor as defined under the Prospectus Regulation

b. to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

c. in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Shares shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

Each person in a Relevant State who initially acquires any Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company and the Managers that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Relevant State to qualified investors, in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

The Company, the underwriters and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. The above selling restriction is in addition to any other selling restrictions set out below.

In connection with the offering, the underwriters are not acting for anyone other than the issuer and will not be responsible to anyone other than the issuer for providing the protections afforded to their clients nor for providing advice in relation to the offering.

Notice to Prospective Investors in the United Kingdom

In relation to the United Kingdom, or UK, no Shares have been offered or will be offered pursuant to this offering to the public in the UK prior to the publication of a prospectus in relation to the Shares which has been approved by the Financial Conduct Authority in the UK in accordance with the UK Prospectus Regulation and the FSMA, except that offers of Shares may be made to the public in the UK at any time under the following exemptions under the UK Prospectus Regulation and the FSMA:

a. to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;

b. to fewer than 150 natural or legal persons (other than qualified investors as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

c. at any time in other circumstances falling within section 86 of the FSMA,

provided that no such offer of Shares shall require the Issuer or any Manager to publish a prospectus pursuant to Section 85 of the FSMA or Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

Each person in the UK who initially acquires any Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company and the Managers that it is a qualified investor within the meaning of the UK Prospectus Regulation.

In the case of any Shares being offered to a financial intermediary as that term is used in Article 5(1) of the UK Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the UK to qualified investors, in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

The Company, the underwriters and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an “offer to the public” in relation to any Shares in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, and the expression “FSMA” means the Financial Services and Markets Act 2000.

In connection with the offering, the underwriters are not acting for anyone other than the issuer and will not be responsible to anyone other than the issuer for providing the protections afforded to their clients nor for providing advice in relation to the offering.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments and who qualify as investment professionals within the meaning of Article 19(5) of the

Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or Financial Promotion Order, (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended, or FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Scheme, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, of DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission, or ASIC, in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001, or the Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons, or the Exempt Investors, who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Notice to Prospective Investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the shares were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time, or the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law; or

(d) as specified in Section 276(7) of the SFA.

Notice to Prospective Investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Israel

This document does not constitute a prospectus under the Israel Securities Law, 5728-1968, and has not been filed with or approved by the Israel Securities Authority nor have the securities offered under this document been approved or disapproved by the Israel Securities Authority or registered for sale in Israel. Our common stock will not be offered or sold to the public in Israel, except that the underwriters may offer and sell such shares, and distribute this prospectus to investors listed in the first addendum (the Addendum) to the Israel

Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the TASE, underwriters purchasing for their own account, venture capital funds, entities with equity in excess of NIS 50 million, and "qualified individuals," each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors. Qualified investors are required to complete and sign a questionnaire to confirm that they fall within the scope of the Addendum. Any resale in Israel, directly or indirectly, to the public of the securities offered by this prospectus is subject to restrictions on transferability and must be effected only in compliance with the Israel Securities Law.

LEGAL MATTERS

The validity of the shares of common stock offered by this prospectus will be passed upon for us by Goodwin Procter LLP, Boston, Massachusetts. Certain legal matters related to this offering will be passed upon for the underwriters by Latham & Watkins LLP, New York, New York.

EXPERTS

The consolidated financial statements of PepGen Inc. as of December 31, 2021 and 2020, and for each of the years in the two-year period ended December 31, 2021, have been included herein in reliance upon the report of KPMG LLP, independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 (File Number 333-) under the Securities Act with respect to the common stock we are offering by this prospectus. This prospectus does not contain all of the information included in the registration statement. For further information pertaining to us and our common stock, you should refer to the registration statement and to its exhibits. Whenever we make reference in this prospectus to any of our contracts, agreements or other documents, the references are not necessarily complete, and you should refer to the exhibits attached to the registration statement for copies of the actual contract, agreement or other document.

Upon the completion of this offering, we will be subject to the informational requirements of the Exchange Act and will file annual, quarterly and current reports, proxy statements and other information with the SEC. You can read our SEC filings, including the registration statement, at the SEC's website at www.sec.gov. We also maintain a website at https://pepgen.com/. Upon completion of this offering, you may access, free of charge, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendment to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC.

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
PepGen Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of PepGen Inc. and subsidiaries (the Company) as of December 31, 2021 and December 31, 2020, the related consolidated statements of operations, comprehensive loss, convertible preferred stock and stockholders' deficit, and cash flows for each of the years in the two-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and December 31, 2020, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company's auditor since 2021.

Phoenix, Arizona
April 8, 2022

PEPGEN INC.
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AND PAR VALUE AMOUNTS)

	December 31, 2020	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 9,778	$132,895
Other receivables	407	4,744
Prepaid expenses and other current assets	134	2,347
Total current assets	10,319	139,986
Property and equipment, net	323	636
Other assets	—	3,019
Total assets	$10,642	$143,641
Liabilities, convertible preferred stock, and stockholders' deficit		
Current liabilities:		
Accounts payable (including related party amounts of $57 and $33, respectively)	$ 721	$ 3,240
Accrued expenses	117	7,081
Total current liabilities	838	10,321
Preferred stock warrant liability	30	226
Total liabilities	868	10,547
Commitments and contingencies (Note 8)		
Convertible preferred stock:		
Series A-1 convertible preferred stock, $0.0001 par value; 1,372,970 shares authorized, issued, and outstanding as of December 31, 2020 and 2021; $6.4 million liquidation preference as of December 31, 2020 and 2021	8,454	8,454
Series A-2 convertible preferred stock, $0.0001 par value; 3,974,598 shares authorized as of December 31, 2020 and 2021; 700,278 and 3,939,069 shares issued and outstanding as of December 31, 2020 and 2021, respectively; $8.0 million and $45.0 million liquidation preference as of December 31, 2020 and 2021, respectively	7,680	44,639
Series B convertible preferred stock, $0.0001 par value; zero and 7,234,766 shares authorized as of December 31, 2020 and 2021, respectively; zero and 7,234,766 shares issued and outstanding as of December 31, 2020 and 2021, respectively; zero and $112.5 million liquidation preference as of December 31, 2020 and 2021, respectively	—	112,083
Stockholders' deficit:		
Class A common stock, $0.0001 par value; 7,800,000 and 16,000,000 shares authorized as of December 31, 2020 and 2021, respectively; 910,160 and 980,940 shares issued and outstanding as of December 31, 2020 and 2021, respectively	—	—
Class B common stock, $0.00001 par value; 571,430 and zero shares authorized as of December 31, 2020 and 2021, respectively; zero shares issued and outstanding as of December 31, 2020 and 2021	—	—
Additional paid-in capital	119	1,653
Accumulated other comprehensive income (loss)	(8)	17
Accumulated deficit	(6,471)	(33,752)
Total stockholders' deficit	(6,360)	(32,082)
Total liabilities, convertible preferred stock, and stockholders' deficit	$10,642	$143,641

See accompanying notes to consolidated financial statements.

PEPGEN INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	Year Ended December 31,	
	2020	2021
Operating expenses:		
Research and development (including related party amounts of $152 and $945, respectively)	$ 1,024	$ 18,999
General and administrative	853	8,110
Total operating expenses	1,877	27,109
Operating loss	(1,877)	(27,109)
Other income (expense)		
Interest income	8	—
Other income (expense), net	(20)	(172)
Total other income (expense), net	(12)	(172)
Net loss	$ (1,889)	$(27,281)
Deemed dividend on Class A and B stock conversion	(2,188)	—
Net loss attributable to common stockholders	$ (4,077)	$ (27,281)
Net loss attributable to common stockholders per share, basic and diluted	$ (4.61)	$ (29.74)
Weighted-average common shares outstanding, basic and diluted	885,311	917,335

See accompanying notes to consolidated financial statements.

PEPGEN INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(IN THOUSANDS)

	Year Ended December 31,	
	2020	2021
Net loss	$(1,889)	$(27,281)
Cumulative translation adjustment arising during the period	—	25
Comprehensive loss	$(1,889)	$(27,256)

See accompanying notes to consolidated financial statements.

PEPGEN INC.
CONSOLIDATED STATEMENTS OF CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT
(IN THOUSANDS, EXCEPT SHARE AMOUNTS)

	Series A-1 Convertible Preferred Stock		Series A-2 Convertible Preferred Stock		Series B Convertible Preferred Stock		Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of December 31, 2019	—	$ —	—	$ —	—	$ —	1,801,540	$ —	571,430	$ —	$ 6,269	$ (8)	$ (2,394)	$ 3,867
Exercise of stock options	—	—	—	—	—	—	51,720	—	—	—	—	—	—	—
Issuance cost of common stock	—	—	—	—	—	—	—	—	—	—	(3)	—	—	(3)
Conversion of common stock to Series A-1 convertible preferred stock	1,372,970	8,454	—	—	—	—	(801,540)	—	(571,430)	—	(6,266)	—	(2,188)	(8,454)
Issuance of Series A-2 convertible preferred stock, net of issuance cost of $320	—	—	700,278	7,680	—	—	—	—	—	—	—	—	—	—
Vesting conditions placed on previously issued common stock	—	—	—	—	—	—	(141,560)	—	—	—	—	—	—	—
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	119	—	—	119
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	(1,889)	(1,889)
Balance as of December 31, 2020	1,372,970	8,454	700,278	7,680	—	—	910,160	—	—	—	119	(8)	(6,471)	(6,360)
Release of common stock from vesting restrictions	—	—	—	—	—	—	70,780	—	—	—	—	—	—	—
Issuance of Series A-2 convertible preferred stock, net of issuance cost of $40	—	—	3,238,791	36,959	—	—	—	—	—	—	—	—	—	—
Issuance of Series B convertible preferred stock, net of issuance cost of $417	—	—	—	—	7,234,766	112,083	—	—	—	—	—	—	—	—
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	—	1,534	—	—	1,534
Net loss	—	—	—	—	—	—	—	—	—	—	—	—	(27,281)	(27,281)
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	—	—	—	25	—	25
Balance as of December 31, 2021	1,372,970	$ 8,454	3,939,069	$44,639	7,234,766	$112,083	980,940	$ —	—	$ —	$ 1,653	$ 17	$ (33,752)	$ (32,082)

See accompanying notes to consolidated financial statements.

PEPGEN INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

	Year Ended December 31,	
	2020	2021
Cash flows from operating activities:		
Net loss	$(1,889)	$ (27,281)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation	110	178
Stock-based compensation expense	119	1,534
Change in fair value of preferred stock warrant liability	—	196
Changes in operating assets and liabilities:		
Other receivables	(170)	(4,342)
Prepaids and other current and non-current assets	(80)	(2,215)
Accounts payable	290	2,534
Accounts payable related party	41	(24)
Accrued expenses and other non-current liabilities	(73)	6,821
Net cash used in operating activities	(1,652)	(22,599)
Cash flows from investing activities:		
Purchases of property and equipment	(8)	(500)
Net cash used in investing activities	(8)	(500)
Cash flows from financing activities:		
Proceeds from issuance of Series A-2 convertible preferred stock, net of issuance costs	7,955	36,959
Proceeds from issuance of Series B convertible preferred stock, net of issuance costs	—	112,083
Deferred offering costs	—	(1,386)
Issuance costs of common stock	(3)	—
Net cash provided by financing activities	7,952	147,656
Effect of exchange rate changes on cash	(5)	33
Net increase in cash, cash equivalents and restricted cash	6,287	124,590
Cash, cash equivalents and restricted cash at beginning of period	3,491	9,778
Cash, cash equivalents and restricted cash at end of period	$ 9,778	$134,368
Components of cash, cash equivalents and restricted cash		
Cash and cash equivalents	$ 9,778	$132,895
Restricted cash	—	1,473
Total cash, cash equivalents and restricted cash at end of period	$ 9,778	$134,368
Supplemental noncash investing and financing activities		
Deferred offering costs included in accounts payable and accrued expenses	$ —	$ 160
Series A-2 convertible preferred stock issuance costs included in accounts payable	$ 253	$ —
Series A-2 convertible preferred stock warrants included in issuance costs	$ 30	$ —
Deemed dividend on Class A and B stock conversion	$ 2,188	$ —

See accompanying notes to consolidated financial statements.

PEPGEN INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of Business and Basis of Presentation

PepGen Inc., or the Company or PepGen, headquartered in Boston, Massachusetts, is a biopharmaceutical company developing a transformative oligonucleotide delivery technology and pipeline of product candidates to treat neuromuscular and neurologic diseases with a high unmet medical need.

The Company was initially formed as PepGen Limited on January 25, 2018, in the United Kingdom, or the UK. On November 9, 2020, PepGen Limited completed a corporate reorganization, or the Reorganization. As part of the Reorganization, PepGen Limited formed PepGen Inc., a Delaware corporation with nominal assets and liabilities, for the purpose of consummating the Reorganization. In connection with the Reorganization, the existing stockholders of PepGen Limited exchanged each of its classes of shares of PepGen Limited for the same number and class of common stock of PepGen Inc. on a one-to-one basis. The newly issued stock of PepGen Inc. had substantially identical rights to the exchanged shares of PepGen Limited. As a result of the exchange, PepGen Inc. became the sole stockholder of PepGen Limited. Upon the completion of the Reorganization on November 23, 2020, the historical financial statements of PepGen Limited became the historical financial statements of PepGen Inc. as the Reorganization was deemed to be between entities under common control.

On November 24, 2020, the Company entered into a Series A Preferred Stock and Warrant Purchase Agreement, or the Stock Purchase Agreement. In connection with executing the Stock Purchase Agreement, the Company also amended and restated its certificate of incorporation, or the Restated Certificate of Incorporation. In accordance with the terms of the Stock Purchase Agreement, the Company agreed to issue an aggregate of 3,939,069 shares of Series A-2 convertible preferred stock to new and existing investors at a price of $11.42 per share, in three closings, and elected to convert 1,372,970 shares of outstanding Class A and Class B common stock into shares of Series A-1 convertible preferred stock. A total of 1,051,720 shares of Class A common stock held by certain investors and employees were not modified and continue to exist as Class A common stock. See Note 9 "*Convertible Preferred Stock and Stockholders' Equity*" for further discussion.

Liquidity and Going Concern

Since inception, the Company has not generated any revenue from product sales or other sources and has incurred significant operating losses and negative cash flows from operations. The Company's primary uses of cash and cash equivalents to date have been to fund research and development activities, business planning, establishing and maintaining the Company's intellectual property portfolio, hiring personnel, leasing premises and associated capital expenditures, raising capital, and providing general and administrative support for these operations. As of December 31, 2021, the Company had an accumulated deficit of $33.8 million. To date, the Company has funded operations primarily through private placements of convertible preferred stock. As of December 31, 2021, the Company had raised aggregate gross proceeds of $163.9 million from these private placements and had cash and cash equivalents of $132.9 million.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company believes that its existing cash and cash equivalents, offset by cash used for continued capital expenditures and operating expenses, will be sufficient to allow the Company to fund operations for at least one year from the issuance date of these consolidated financial statements.

As the Company continues to pursue its business plan to successfully develop and obtain regulatory approval for the Company's product candidates, it expects to finance its operations through the sale of equity, debt financings or other capital resources, which could include income from collaborations, strategic partnerships or marketing, distribution, licensing or other strategic arrangements with third parties, or from grants. However, there can be no assurance that any additional financing or strategic transactions will be available to the Company

on acceptable terms, if at all. If events or circumstances occur such that the Company does not obtain additional funding, it may need to delay, reduce or eliminate its product development or future commercialization efforts, which could have a material adverse effect on the Company's business, results of operations or financial condition.

Basis of Presentation and Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. The consolidated financial statements include the accounts of PepGen Inc. (a U.S. Corporation) and its wholly owned subsidiaries PepGen Limited (a UK corporation) and PepGen Securities Corp. All intercompany accounts and transactions have been eliminated in consolidation.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Management bases its estimates and judgments on historical experience, knowledge of current conditions, and beliefs of what could occur in the future, given the available information. On an ongoing basis, management evaluates such estimates and assumptions for continued reasonableness. In particular, management makes estimates with respect to accruals for research and development activities, for the fair value of common stock and convertible preferred stock warrants and stock-based compensation expense. Appropriate adjustments, if any, to the estimates used are made prospectively based upon such periodic evaluation. Actual results could differ materially from those estimates and assumptions.

Segment Reporting

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision-maker, or the CODM. The Company's CODM is its chief executive officer who reviews financial information together with certain operating metrics principally to make decisions about how to allocate resources and to measure the Company's performance. The Company has determined that it operates as a single reportable segment. The Company's CODM evaluates financial information on a consolidated basis. As the Company operates as one operating segment, all required segment financial information is presented in the consolidated financial statements.

Foreign Currency Remeasurement

The Company's reporting currency is the U.S. Dollar. The functional currency of PepGen Limited is the British Pound. The assets and liabilities of PepGen Limited are translated into U.S. Dollars at the exchange rates in effect at each balance sheet date, and the results of operations are translated using the average exchange rates prevailing throughout the reporting period. Adjustments resulting from translating foreign functional currency financial statements into U.S. Dollars are included in the foreign currency translation adjustment, a component of accumulated other comprehensive loss in stockholders' deficit.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and money market accounts. The Company's cash and money market accounts are held by one financial institution in the U.S. and one financial institution in the UK, which the Company believes to be financially sound, and accordingly, minimal credit risk exists with respect to the financial institutions. At times, the Company's deposits held in the U.S. and UK may exceed the Federal Depository Insurance Corporation and Financial Services Compensation Scheme, respectively, insured limits. The Company has not experienced any credit losses in such accounts and does not believe it is exposed to any significant credit risk on these funds.

Deferred Offering Costs

The Company capitalizes within other long-term assets certain legal, accounting, and other third- party fees that are directly related to the Company's in-process equity financings, until such financings are consummated. After consummation of the equity financing, these costs are recorded as a reduction of the proceeds received as a result of the offering. Should a planned equity financing be abandoned, terminated, or significantly delayed, the deferred offering costs are immediately written off to operating expenses. The Company did not have any deferred offering costs as of December 31, 2020. As of December 31, 2021, deferred offering costs of $1.5 million were recorded within other assets on the consolidated balance sheets.

Fair Value Measurements

Certain assets and liabilities of the Company are carried at fair value under U.S. GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1: Fair values are determined utilizing prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access.

- Level 2: Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.

- Level 3: Unobservable inputs that are supported by little or no market activity that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

For certain financial instruments, including cash and cash equivalents, prepaid expenses, accounts payable, as well as certain accrued liabilities, the recorded amount approximates estimated fair value due to their relatively short maturity period.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents are recorded at cost, which approximates fair value. As of December 31, 2020 the Company's cash consisted of money held in checking accounts. As of December 31, 2021, cash and cash equivalents consisted primarily of checking and money market funds composed of US government obligations.

Restricted Cash

The Company classifies all cash whose use is limited by contractual provisions as restricted cash. Restricted cash arises from the requirement for the Company to maintain cash of $1.5 million as collateral under a lease agreement. As of December 31, 2020 and 2021, $0 and $1.5 million of restricted cash was recorded in other assets on the consolidated balance sheets.

Property and Equipment, Net

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the respective assets. Maintenance and repairs that do not improve or extend the life of the assets are expensed when incurred.

The estimated useful lives of the Company's property and equipment are as follows:

Laboratory and computer equipment	3 years
Furniture and fixtures	5 years

Impairment of Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. The recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset or asset group to the estimated undiscounted future cash flows expected to be generated by the asset or asset group.

If the carrying amount of an asset or asset group exceeds its estimated undiscounted future cash flows, an impairment charge is recognized as the amount by which the carrying amount of the asset or asset group exceeds the estimated discounted future cash flows of the asset or asset group. There have been no such impairments of long-lived assets for the years ended December 31, 2020 and 2021.

Commitment and Contingencies

The Company recognizes a liability with regard to loss contingencies when it believes it is probable a liability has been incurred, and the amount can be reasonably estimated. If some amount within a range of loss appears at the time to be a better estimate than any other amount within the range, the Company accrues that amount. When no amount within the range is a better estimate than any other amount the Company accrues the minimum amount in the range. The Company has not recorded any such liabilities as of December 31, 2020 and 2021 that were material to the consolidated financial statements.

Convertible Preferred Stock

The Company records convertible preferred stock at fair value on the dates of issuance, net of issuance costs. Upon the occurrence of certain events that are outside the Company's control, including a deemed liquidation event, holders of the convertible preferred stock can cause redemption for cash. Therefore, convertible preferred stock is classified outside of stockholders' deficit on the consolidated balance sheets as events triggering the liquidation preferences are not solely within the Company's control. The carrying values of the convertible preferred stock are adjusted to their liquidation preferences if and when it becomes probable that such a liquidation event will occur. Because the occurrence of a deemed liquidation event is not currently probable, the carrying values of the convertible preferred stock are not being accreted to their redemption values. Subsequent adjustments to the carrying values of the convertible preferred stock would be made only when a deemed liquidation event becomes probable.

Preferred Stock Warrants

The Company has classified warrants to purchase its Series A-2 convertible preferred stock as a liability on the consolidated balance sheets as these warrants are freestanding financial instruments that could require the Company to transfer assets upon exercise (see Note 3 "*Fair Value Measurements*").

Grant Funding Agreements

Funding provided from grants is recognized as a reduction of research and development expense in the period during which the related qualifying expenses are incurred, provided that the conditions under which the

grants or incentives were provided have been met. Grant funding that is received by the Company in advance of incurring qualifying expenses is recorded in the consolidated balance sheets as a liability. Grant funding recognized upon incurring qualifying expenses in advance of receipt of grant funding is presented in the consolidated balance sheets as an other receivable.

Research and Development

Research and development costs are expensed as incurred. Research and development costs consist of salaries, benefits, and other personnel-related costs, including stock-based compensation, laboratory supplies, process development costs, fees paid to other entities to conduct certain research and development activities on the Company's behalf, including contract manufacturing organizations and contract research organizations, and allocated facility and other related costs. Non-refundable advance payments for goods or services that will be used or rendered for future research and development activities are deferred and capitalized as prepaid expenses until the related goods are delivered or services are performed. The Company recognizes the benefit of government grants and refundable research and development tax credits as a reduction of research and development expense when it is probable that the Company has complied with the conditions attached and will receive reimbursement. Government grants and refundable research and development tax credits are included in other receivables within the consolidated balance sheets. For the years ended December 31, 2020 and 2021, the Company recorded $0.1 million and $4.8 million as reductions of research and development expense in the consolidated statements of operations, respectively. As of December 31, 2020 and 2021, $0.1 million and $4.7 million of research and development tax credits were recorded in other receivables on the consolidated balance sheets, respectively.

The Company records accrued liabilities for estimated costs of research and development activities conducted by third-party service providers. The Company accrues for these costs based on factors such as estimates of the work completed and in accordance with agreements established with its third-party service providers under the service agreements. The Company makes significant judgments and estimates in determining the accrued liabilities balance in each reporting period. As actual costs become known, the Company adjusts its accrued liabilities. The historical accrual estimates made by the Company have not been materially different from the actual costs.

Common Stock Valuation

Due to the absence of an active market for the Company's common stock, the Company utilized methodologies, approaches and assumptions consistent with the American Institute of Certified Public Accountants' Audit and Accounting Practice Guide: Valuation of Privately-Held Company Equity Securities Issued as Compensation to estimate the fair value of its common stock. In determining the exercise prices for options granted, the Company has considered the fair value of the common stock as of the grant date. The fair value of the common stock has been determined based upon a variety of factors, including valuations of the Company's common stock performed with the assistance of independent third-party valuation specialists; the Company's stage of development and business strategy, including the status of research and development efforts of its product candidates, and the material risks related to its business and industry; the Company's business conditions and projections; the Company's results of operations and financial position, including its levels of available capital resources; the valuation of publicly traded companies in the life sciences and biotechnology sectors, as well as recently completed mergers and acquisitions of peer companies; the lack of marketability of the Company's common stock as a private company; the prices of the Company's convertible preferred stock sold to investors in arm's length transactions and the rights, preferences and privileges of its convertible preferred stock relative to those of its common stock; the likelihood of achieving a liquidity event for the holders of the Company's common stock, such as an initial public offering or a sale of the Company given prevailing market conditions; trends and developments in its industry; the hiring of key personnel and the experience of management; and external market conditions affecting the life sciences and biotechnology industry sectors. Significant changes to the key assumptions underlying the factors used could result in different fair values of common stock at each valuation date.

Stock-Based Compensation

The Company recognizes stock-based compensation expense for employee, officer, director and non-employee stock options and restricted stock awards on a straight-line basis over the requisite service period. The Company accounts for forfeitures as they occur.

The Company classifies stock-based compensation expense in its consolidated statements of operations and comprehensive loss in the same manner in which the award recipient's cash compensation costs are classified.

The fair value of each stock option award is estimated on the date of grant using the Black-Scholes option pricing model. As there is no public market for its common stock the Company determined the volatility for awards granted based on an analysis of reported data for a group of guideline companies that issued options with substantially similar terms. The expected volatility has been determined using a weighted-average of the historical volatility measures of this group of guideline companies. The Company expects to continue to do so until such time as it has adequate historical data regarding the volatility of its own traded stock price. The expected term of the Company's stock options has been determined utilizing the "simplified" method for awards that qualify as "plain-vanilla" options. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the award. The Company has not paid, and does not anticipate paying, cash dividends on its common stock; therefore, the expected dividend yield is assumed to be zero.

Income Taxes

Income taxes are accounted for using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts or existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period of enactment. The Company records a valuation allowance to reduce deferred tax assets to an amount for which realization is more likely than not.

The Company recognizes the tax benefit from an uncertain tax position if it is more likely than not that the tax position will be sustained upon examination by the tax authorities, based on the merits of the position. The Company's policy is to recognize interest and penalties related to the underpayment of income taxes as a component of income tax expense or benefit. To date, there have been no interest or penalties charged in relation to the unrecognized tax benefits.

Comprehensive Loss

Comprehensive loss is composed of two components — net loss and other comprehensive loss. Other comprehensive loss consists of cumulative foreign currency translation adjustments. Other comprehensive loss refers to gains and losses that under U.S. GAAP are recorded as an element of stockholders' equity but are excluded from net loss. The Company's other comprehensive loss consists of foreign currency translation adjustments.

Net Loss Per Share

Basic net loss per share is calculated by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period, without consideration of potential dilutive securities. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the sum of the weighted average number of common shares plus the potential dilutive effects of potential dilutive securities outstanding during the period.

Potential dilutive securities are excluded from diluted earnings or loss per share if the effect of such inclusion is antidilutive. The Company's potentially dilutive securities, which include convertible preferred stock and unvested common stock under the Company's equity incentive plan, vesting conditions placed on previously issued common shares and warrants to purchase convertible preferred stock have been excluded from the computation of diluted net loss per share as they would be anti-dilutive to the net loss per share. For all periods presented, there is no difference in the number of shares used to calculate basic and diluted shares outstanding due to the Company's net loss position.

The following table sets forth the outstanding potentially dilutive securities that have been excluded in the calculation of diluted net loss per share because their inclusion would be anti-dilutive:

	As of December 31,	
	2020	2021
Series A-1 convertible preferred stock	1,372,970	1,372,970
Series A-2 convertible preferred stock	700,278	3,939,069
Series A-2 convertible preferred stock warrants	35,529	35,529
Series B convertible preferred stock	—	7,234,766
Options to purchase common stock	—	1,932,273
Vesting conditions placed on previously issued common shares	141,560	70,780
Total	2,250,337	14,585,387

Emerging Growth Company Status

The Company is an "emerging growth company," as defined in the Jumpstart Our Business Startups Act, or JOBS Act, and may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies. The Company may take advantage of these exemptions until the Company is no longer an "emerging growth company." Section 107 of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period afforded by the JOBS Act for the implementation of new or revised accounting standards. The Company has elected to use the extended transition period for complying with new or revised accounting standards and as a result of this election, its consolidated financial statements may not be comparable to companies that comply with public company effective dates. The Company may take advantage of these exemptions up until the last day of the fiscal year following the fifth anniversary of an offering or such earlier time that it is no longer an "emerging growth company."

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), The amendment relates to leases to increase transparency and comparability among organizations by requiring the recognition of right-of-use, or the ROU, assets obtained in exchange for lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of consolidated financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The effective date of this update is for fiscal years beginning after December 15, 2021, and interim periods therein. The Company is currently planning to adopt the standard on January 1, 2022. As of January 1, 2022, the Company does not have any leases with initial terms greater than twelve months. For any future leases with initial terms greater than twelve months, the Company will record a lease liability and corresponding right of use asset on is balance sheet and provide required disclosures under Topic 842.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The standard changes how entities will measure credit losses for most financial assets, including accounts and notes receivables. The standard will replace today's "incurred loss" approach with an "expected loss" model, under which companies will recognize allowances

based on expected rather than incurred losses. Entities will apply the standard's provisions as a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective. The effective date of this update is for fiscal years beginning after December 15, 2022, and interim periods therein. The Company is currently assessing the impact of adopting this standard on the Company's consolidated financial statements and related disclosures.

In November 2019, the FASB issued ASU 2019-11, Codification Improvements to Topic 326, Financial Instruments—Credit Losses. The standard is an accounting pronouncement that amends ASU 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." The amendments update guidance on reporting credit losses for financial assets. These amendments affect loans, debt securities, trade receivables, net investments in leases, off balance sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The amendments in both ASU 2016-13 and ASU 2019-11 are effective for annual reporting periods beginning after December 15, 2019, including interim periods within those fiscal years. As a result of the Company having elected the extended transition period for complying with new or revised accounting standards pursuant to Section 107(b) of the JOBS Act, 2016-13 and ASU 2019-11 are effective for the Company for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. The Company is currently evaluating ASU 2016-13 and ASU 2019-11 and their impact on its consolidated financial statements and financial statement disclosures.

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740). The standard simplifies the Accounting for Income Taxes. The standard simplifies the accounting for income taxes by removing certain exceptions to the general principles in Topic 740 and also improves consistent application by clarifying and amending existing guidance. The standard is effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The Company is assessing the impact of this guidance and is continuing to evaluate the impact on its consolidated financial statements.

In August 2020, the FASB issued ASU 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40). The standard address issues identified as a result of the complexity associated with applying U.S. GAAP for certain financial instruments with characteristics of liabilities and equity. The standard reduces the number of accounting models for convertible debt instruments and convertible preferred stock resulting in fewer embedded conversion features being separately recognized from the host contract. The standard is effective for public companies, excluding entities eligible to be smaller reporting companies, for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Board specified that an entity should adopt the guidance as of the beginning of its annual fiscal year. The Company is assessing the impact of this guidance and is continuing to evaluate the impact on its consolidated financial statements.

3. Fair Value Measurements

The following table set forth the fair value of the Company's financial assets measure at fair value on a recurring basis and indicates the level within the fair value hierarchy utilized to determine such values (in thousands):

	As of December 31, 2021			
	Total	Level 1	Level 2	Level 3
US Treasury-backed money market funds	$30,719	$30,719	$ —	$ —
Total	$30,719	$30,719	$ —	$ —

As of December 31, 2020, the Company did not have cash equivalents in money market funds.

Money market funds are highly liquid investments that are valued based on quoted market prices in active markets, which represent a Level 1 measurement within the fair value hierarchy.

Preferred stock warrant liability

In connection with the November 24, 2020 Stock Purchase Agreement (Note 9), the Company granted warrants to purchase up to 35,529 shares of Series A-2 convertible preferred stock at a price per share equal to $11.42 and with a term ending upon the earlier of an underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, the consummation of a Deemed Liquidation Event, as such term is defined in the Company's Restated Certificate of Incorporation or 10 years. As the warrants are for preferred stock, which do not qualify for equity classification, the warrants have been recorded as a liability and are required to be remeasured to fair value at each reporting date.

As there are significant inputs that are not observable in the market, the warrant valuation represents a Level 3 measurement within the fair value hierarchy. The Company's valuation of the preferred stock warrant utilized the Black-Scholes option-pricing model, which incorporates assumptions and estimates to value the preferred stock warrant.

The quantitative elements associated with the Company's Level 3 inputs impacting the fair value measurement of the preferred stock warrant liability include the fair value per share of the underlying Series A-2 convertible preferred stock, the remaining contractual term of the warrant, risk-free interest rate, expected dividend yield and expected volatility of the price of the underlying preferred stock. The most significant assumption in the Black-Scholes option-pricing model impacting the fair value of the preferred stock warrant is the fair value of the Company's Series A-2 convertible preferred stock as of each remeasurement date. The Company determines the fair value per share of the underlying preferred stock by taking into consideration its most recent sales of its convertible preferred stock. The Company historically has been a private company and lacks company-specific historical and implied volatility information of its stock. Therefore, it estimates its expected stock volatility based on the historical volatility of publicly traded peer companies for a term equal to the remaining contractual term of the warrant. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve for time periods approximately equal to the remaining contractual term of the warrant. The Company has estimated a 0% dividend yield based on the expected dividend yield and the fact that the Company has never paid or declared dividends.

The Company recognizes changes in the fair value of the warrant liability as a component of other income (expense) in its consolidated statements of operations and comprehensive loss. The Company will continue to recognize changes in the fair value of the warrant liability until the warrant is exercised, expires, or qualifies for equity classification. No changes were recognized from the date of issuance, November 24, 2020, through December 31, 2020, primarily due to the short duration of time.

A reconciliation of the Level 3 warrant liability is as follows (in thousands):

	Series A-2 Preferred Stock Warrant Liability
Balance as of December 31, 2019	$ —
Issuance of Series A preferred stock warrants	30
Change in fair value	—
Balance as of December 31, 2020	30
Change in fair value	196
Balance as of December 31, 2021	$ 226

4. Property and Equipment, Net

The cost and accumulated depreciation of property and equipment were as follows (in thousands):

	December 31, 2020	December 31, 2021
Lab equipment	$ 558	$ 975
Computer and office equipment	24	91
Total property and equipment	582	1,066
Less accumulated depreciation	(259)	(430)
Total property and equipment, net	$ 323	$ 636

Depreciation expense was $0.1 million and $0.2 million for the year ended December 31, 2020 and 2021, respectively.

5. Accrued Expenses

Accrued expenses consisted of the following (in thousands):

	December 31, 2020	December 31, 2021
Research and development	$ 10	$5,343
Employee related	28	1,205
Other	79	533
Total accrued expenses	$ 117	$7,081

6. Material Agreements

Grant funding

In February 2019, Innovate UK, or IUK, awarded the Company up to $2.1 million under a grant award to support the Company's development of therapies for neuromuscular and neurological diseases. During the years ended December 31, 2020 and 2021, the Company recognized $1.4 million and $0.2 million of reimbursable funds from IUK, based on eligible costs incurred under the grant, respectively. The IUK grant reimbursements are accrued as an offset against research and development expenses as reimbursable expenses are incurred. The Company recorded receivables, included in other receivables in the consolidated balance sheets of $0.3 million and $0 for the periods ended December 31, 2020 and 2021, respectively, related to eligible costs incurred but not yet reimbursed.

7. Related Party Transactions

Technology license agreement

In March 2018, the Company, Oxford University Innovation Limited, or OUI, and the Medical Research Council of United Kingdom Research and Innovation, or MRC (or collectively the Licensors), entered into a license of technology agreement, or the License Agreement, which was subsequently amended in December 2018 and further amended and restated in November 2020. The Licensors and affiliates hold shares of Series A-1 and Series A-2 preferred stock, Series B preferred stock and Class A common stock. The License Agreement provides the Company with an exclusive world-wide license to licensed data and technology owned by OUI and MRC in respect of cell penetrating peptides for treatment of Duchenne muscular dystrophy, spinal muscular atrophy, and other conditions. The License Agreement provides the Company with the rights to grant and authorize sublicenses to make, use, sell, and import products and otherwise exploit the patent rights.

As consideration for the license, the Company made an initial upfront payment in 2018 of $0.1 million upon transfer of the license technology and data and in 2020 upon amending and restating the License Agreement made two additional payments of $19,000 for a Restatement Completion Fee and License Data Fee. The Company determined that the upfront payment and subsequent Restatement Completion Fee and License Data Fee as part of the license agreement would be expensed upon execution of the original contract and subsequent amendment as the license was acquired for research and development purposes which does not have alternative future uses, and the underlying technology has not reached technological feasibility.

The Company could be required to make milestone payments to the Licensors upon completion of certain patent and commercial milestones related to the patents and commercialization of certain of the Company's product candidates. The aggregate potential milestone payments are $0.1 million. The Company also agreed to pay the Licensors low single digit royalties on net sales of any licensed products that are commercialized by the Company or sublicensees in excess of a threshold amount between £20 million and £30 million ($27.0 million and $40.5 million as of December 31, 2021), subject to certain adjustments. The term of the License Agreement continues until the later of (i) the date on which all the patents and patent applications covered thereunder have been abandoned or allowed to lapse or expired or been rejected or revoked or (ii) 20 years from the date of the original agreement.

Additionally, the Company could be required to pay OUI an exit fee between 0.5% to 2% of the value determined in an acquisition or IPO, not to exceed £5 million ($6.8 million as of December 31, 2020 and 2021), if the Company enters into a transaction with a third-party whereby the party obtains direct or indirect control of the Company, or the Company sells shares on an exchange in an IPO. In lieu of paying the exit fee, the Company has the option to pay a buy out fee, which can be paid at any time to release the Company from its obligation to pay the exit fee. As of December 31, 2020 and 2021, the Company concluded the exit event was not probable and therefore no obligation was recorded.

Additionally, the Company pays office space rent to OUI. For the years ended December 31, 2020 and 2021, total rent payments were $0.1 million and $0.2 million, respectively. As of December 31, 2020 and 2021, $26,000 and $30,000, respectively, was due to OUI by the Company.

Services agreement

In November 2020, the Company entered into an agreement, or the Services Agreement, with Carnot Pharma, LLC, or Carnot, under which Carnot provides research and other services to the Company. Carnot is an entity controlled by RA Capital Management, L.P. Entities affiliated with RA Capital Management, L.P. purchased shares of Series A-2 convertible preferred stock in the Company's preferred stock financing in November of 2020 and May and July of 2021. In addition, entities affiliated with RA Capital Management, L.P. purchased shares of our Series B convertible preferred stock in the Company's preferred stock financing in July 2021. Two members of the Company's Board of Directors are also affiliated with RA Capital Management, L.P.

Under the terms of the Services Agreement, the Company compensates Carnot on a fully burdened cost basis for personal time devoted to Company projects. In addition, the Company reimburses Carnot on a costs basis for any subcontractor costs incurred. The Company pays Carnot on a quarterly basis, in arrears, for services performed and costs incurred. The Services Agreement is for a term of the later of (A) two (2) years and (B) the later of (a) completion of the Services or (b) latest-to-occur delivery of a final report or any other items required to be delivered to the Company under the last ongoing project as part of the services, if any. The Company may terminate the services agreement by giving 30 days' prior notice and either party can terminate the services agreement for a material breach, if not cured within 30 days following notice by the nonbreaching party.

Expenses incurred by the Company under the Services Agreement with Carnot for the year ended December 31, 2020 and 2021, totaled $0 and $0.8 million, respectively. As of December 31, 2020 and 2021, approximately $31,000 and $2,600 was due to Carnot by the Company for services rendered under the Services Agreement, respectively.

8. Commitments and Contingencies

Legal proceedings

From time to time, the Company may have certain contingent liabilities that arise in the ordinary course of its business activities. The Company accrues a liability for such matters when it is probable that future expenditures will be made and that such expenditures can be reasonably estimated.

The Company is not party to any litigation and does not have contingency reserves established for any litigation liabilities.

Leases

In December 2021, the Company entered into a lease for lab and office space in Massachusetts of approximately 31,668 square feet. The lease term is for 110 months with one optional renewal period of five years. The initial monthly lease payment is $0.2 million which increases on an annual basis at three percent. The lease is expected to commence in the second half of 2022.

Other

The Company enters into standard indemnification agreements in the ordinary course of business. Pursuant to the agreements, the Company agrees to indemnify, hold harmless, and to reimburse the indemnified party for losses suffered or incurred by the indemnified party, including in connection with any U.S. patent or any copyright or other intellectual property infringement claim by any third-party with respect to the Company's products. Further, the Company indemnifies its directors and officers who are, or were, serving at the Company's request in such capacities. The Company's maximum exposure under these arrangements is unknown as of December 31, 2021. The Company does not anticipate recognizing any significant losses relating to these arrangements. The term of these indemnification agreements is generally perpetual any time after execution of the agreement. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements may be unlimited. The Company has never incurred costs to defend lawsuits or settle claims related to these indemnification agreements.

9. Convertible Preferred Stock and Stockholders' Equity

Series A-1 convertible preferred stock and Series A-2 convertible preferred stock

In connection with the November 24, 2020, Stock Purchase Agreement, the Company agreed to issue an aggregate of 3,939,069 shares of Series A-2 convertible preferred stock to new and existing investors at a price of $11.42 per share, in three closings, and elected to convert 1,372,970 shares of outstanding Class A and Class B common stock into shares of Series A-1 convertible preferred stock. A total of 1,051,720 shares of Class A common stock held by certain founding investors and employees were not modified and continue to exist as Class A common stock.

The Company concluded the terms of the Stock Purchase Agreement, whereby certain pre-existing Class A and Class B common stock was modified and exchanged for Series A-1 convertible preferred stock, represented a modification as these previous Class A and Class B Common stockholders received incremental value through the enhanced rights and preferences associated with the Series A-1 convertible preferred stock. Consequently, in connection with this exchange, the Company recorded a deemed dividend of $2.2 million to reflect the difference between the fair value of the Series A-1 convertible preferred stock and the Class A and Class B common stock, on the date of the exchange, based upon a valuation performed by an independent valuation specialist.

In November 2020, the Company issued 700,278 shares of Series A-2 convertible preferred stock in the initial closing for gross proceeds of $8.0 million. The Stock Purchase Agreement contains provisions that

potentially obligate the Company to sell, outside of its control, an additional 3,238,791 shares of Series A-2 convertible preferred stock at $11.42 per share for expected gross proceeds of $37.0 million, upon the occurrence of two subsequent milestone closings, or the Milestone Closings, or earlier, at the option of any holder of the Series A-2 convertible preferred stock. If the defined milestones are not achieved prior to the Company's IPO, the holders may elect to purchase these shares prior to the completion of the IPO. If the shares are not purchased prior to the completion of the IPO, then this right to purchase these shares automatically expires. If any holder of the Series A-2 convertible preferred stock does not elect to participate in the two subsequent Milestone Closings, the holder's shares of Series A-2 convertible preferred stock automatically convert into shares of common stock at a ratio of ten shares of Series A-2 convertible preferred stock to one share of common stock. In addition, to the extent any Series A-1 convertible preferred stock stockholder participated in the Series A-2 preferred stock financing and does not elect to participate in the two subsequent Milestone Closings, the holder's shares of Series A-1 convertible preferred stock automatically convert into shares of common stock on a one-to-one basis.

In May 2021, upon the completion of the first of two defined Milestone Closings outlined in the Stock Purchase Agreement, the Company sold 1,400,558 shares of Series A-2 convertible preferred stock at $11.42 per share for aggregate gross proceeds of $16.0 million.

In July 2021, in advance of the Series B convertible preferred stock financing, the existing Series A-2 convertible preferred stockholders exercised their right to purchase the remaining Milestone Closing shares and the Company sold 1,838,233 shares of Series A-2 convertible preferred stock at $11.42 per share for aggregate gross proceeds of $21.0 million.

Series B convertible preferred stock

In July 2021 the Company entered into the Series B Stock Purchase Agreement, whereby the Company agreed to issue and sold an aggregate of 7,234,766 shares of Series B convertible stock to new and existing investors at a per share price of $15.55 per share for aggregate gross proceeds of $112.5 million.

The Company's convertible preferred stock has the following characteristics:

Dividends

Each holder of convertible preferred stock is entitled to receive dividends when and if declared by the board of directors at the rate of 6% of the original issue price per annum. The original issuance price, or Original Issuance Price, with respect to the Series A-1 convertible preferred stock is $4.64 per share, with respect to the Series A-2 convertible preferred stock is $11.42 per share and with respect to the Series B convertible preferred stock is $15.55 per share. Dividends are noncumulative, and no cash dividends have been declared to date.

Conversion

Each share of convertible preferred stock is convertible without payment of additional consideration at the option of the holder any time after the issuance date into shares of common stock determined by dividing the Original Issuance Price by the conversion price. The conversion price of the convertible preferred stock is initially equal to the Original Issuance Price and is subject to adjustment if the Company issues additional shares of common stock after the applicable original issue date of such series of convertible preferred stock without consideration or for consideration per share less than the conversion price for such series of convertible preferred stock, subject to customary exceptions. The convertible preferred stock is subject to a mandatory conversion in the event (i) that there is a closing of the sale of shares of common stock to the public at a price of at least $23.32 per share (subject to adjustment), resulting in at least $75 million of gross proceeds in an underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, and in connection with such offering the common stock is listed for trading on the Nasdaq Stock Market's National Market, the New York Stock Exchange or another exchange or marketplace approved by the board of directors or

(ii) upon the vote or written consent for such conversion from the Requisite Holders (defined as a majority of the outstanding shares of preferred stock voting as a single class and on an as-converted basis). As of December 31, 2020 and 2021, all series of convertible preferred stock are convertible into shares of common stock on a one-to-one basis.

Liquidation

Holders of the convertible preferred stock are entitled to receive liquidation preferences at the Series A-1, Series A-2 and Series B Original Issue Price, plus all accrued and declared but unpaid dividends. After full payment of the liquidation preference to the holders of the Series A-1, Series A-2 and Series B convertible preferred stock, the remaining assets, if any, will be distributed ratably to the holders of the common stock provided, however, that each holder of convertible preferred stock shall be entitled to receive upon such liquidation the greater of (i) the amount distributed pursuant to above and (ii) the amount such holder would have received if all shares of convertible preferred stock had been converted into common stock immediately prior to such liquidation.

Redemption rights

The holders of Series A-1, Series A-2 and Series B convertible preferred stock do not have any redemption rights, except upon certain liquidation and dissolution events that are outside of the Company's control.

Voting rights

The holder of each share of convertible preferred stock is entitled to one vote for each share of common stock into which it would convert and to vote as one class with the common stockholders on all matters.

Classification

Upon the occurrence of certain change in control events that are outside the Company's control, including liquidation, sale or transfer of the Company, holders of the convertible preferred stock can effectively cause redemption for cash. As a result, the Company has classified the convertible preferred stock as mezzanine equity on the consolidated balance sheets as the stock is contingently redeemable. The Company has elected not to adjust the carrying values of the convertible preferred stock to the liquidation preferences of such shares because it is uncertain whether or when an event would occur that would obligate the Company to pay the liquidation preferences to holders of shares of convertible preferred stock. Subsequent adjustments to the carrying values to the liquidation preferences will be made only when it becomes probable that such a liquidation event will occur.

Common stock

Under the Amended and Restated Certificate of Incorporation, dated July 30, 2021, the Company has the authority to issue a total of 16,000,000 shares of Class A common stock (par value of $0.0001 per share) and 12,582,334 shares of preferred stock (par value of $0.0001 per share).

In 2018, the Company issued 1,000,000 shares of Class A common stock to certain founders of the Company with a stated value of $0.001 per share, under PepGen Limited. From March 2018 through December 2019, the Company issued 1,372,970 shares of Class A common stock and Class B common stock with a stated value of $4.64 per share under, PepGen Limited. In addition, in November of 2020, the Company issued 51,720 shares of Class A common stock in connection with the exercise of stock options, under the PepGen Limited 2020 Share Scheme. In connection with the Reorganization, the Class A and Class B common stock of PepGen Limited were converted into shares of PepGen Inc. on a one-to-one basis into the same Class of common stock originally held.

Each share of common stock has the right to one vote. The holders of common stock are also entitled to receive dividends whenever funds are legally available and when declared by the board of directors, subject to the prior rights of holders of all classes of stock outstanding having priority rights as to dividends. No cash dividends have been declared by the board of directors during the years ended December 31, 2020 and 2021.

The Company has reserved the following shares of common stock for issuance, on an as-converted basis, as follows:

	December 31,	
	2020	2021
Convertible preferred stock	2,073,248	12,546,805
Stock options issued and outstanding	—	1,932,273
Preferred stock warrants issued and outstanding	35,529	35,529
Vesting conditions placed on previously issued common shares	141,560	70,780
Authorized for future stock awards or option grants	392,391	464,609
Total	2,642,728	15,049,996

Shares of Common Stock Subject to Repurchase

In November 2020, in connection with the Series A-2 convertible preferred stock financing, two founding stockholders entered into Stock Restriction Agreements, or Restriction Agreements, whereby 141,560 shares that were previously vested and not subject to repurchase became restricted and subject to repurchase. The repurchase rights lapse 50% on the one-year anniversary of the Restriction Agreements and 50% on the second anniversary of the Restriction Agreements. Shares subject to repurchase by the Company are not deemed, for accounting purposes, to be outstanding until those shares vest and therefore are not included in the shares outstanding on the consolidated balance sheet.

In connection with the vesting restrictions placed on these previously vested shares, the Company was required to determine the measurement date fair value of the shares, which was $2.32 per share or $0.3 million in aggregate. The measurement date fair value of the restricted stock will be recognized as stock-based compensation expense over the vesting period. For the year ended December 31, 2020 and 2021, 141,560 and 70,780 shares were subject to repurchase by the Company, respectively.

10. Stock-Based Compensation

2020 Stock Plan

In November 2020, the Company's board of directors adopted the 2020 Stock Plan, or 2020 Plan. Upon the adoption of the 2020 Plan and in accordance with the Reorganization, the Company's previous plan was cancelled and no shares under the plan remained outstanding. The 2020 Plan provides for the granting of incentive stock options, non-statutory stock options, restricted stock awards, and other forms of stock awards to its employees, directors, and consultants. The exercise price of incentive stock options and nonqualified stock options will be no less than 100% of the fair value per share of the Company's common stock on the date of grant. If an individual owns common stock representing more than 10% of the voting shares and the grant is an incentive stock option, the price of each share will be at least 110% of the fair value on the date of grant. Options expire after 10 years (five years for incentive stock options granted to stockholders owning greater than 10% of the voting stock). The term and vesting periods for options granted under the 2020 Plan are determined by the Company's board of directors. Options granted generally vest over four years. Options must be exercised within a 10-year period or sooner if specified within the option agreement. Under the 2020 Plan, the Company initially reserved 392,391 shares of common stock for issuance. As of December 31, 2021, 1,932,273 options under the 2020 Plan were outstanding and 464,609 shares were available for future grant.

In March of 2021, the Company granted options subject to both a service-based condition and a performance-based condition that required the achievement of two Milestone Closings (Note 9) before the options could be eligible for service based vesting conditions. The first performance-based condition was achieved in May of 2021 and the second performance-based condition was considered probable as of June 2021.

The Company granted additional options in September 2021, subject to both a service-based condition and a performance-based condition that required the achievement of certain hiring milestones. As of December 31, 2021, the Company determined two of the three hiring milestones was considered probable.

Stock Option Activity

Stock option activity under the Plan, is as follows:

	Stock Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value (In Thousands)
Outstanding as of December 31, 2020	—	$ —	—	$ —
Granted	2,015,923	7.39	9.6	—
Exercised	—	—	—	—
Canceled/Forfeited	(83,650)	8.85	9.7	—
Outstanding as of December 31, 2021	1,932,273	$ 7.33	9.6	$ 7,157
Vested and exercisable as of December 31, 2021	110,291	$ 1.17	9.2	$ 1,088
Vested and expected to vest as of December 31, 2021	1,932,273	$ 7.33	9.6	$ 7,157

As of December 31, 2021, 464,609 shares were available for future grants under the 2020 Plan.

In August of 2020, the Company granted options to certain employees and non-employees for Class A common shares, with an exercise price of $0.001 per share, whereby the vesting was contingent upon the achievement of a performance condition related to a financing goal. In November of 2020, the performance condition was satisfied, and 51,720 options became vested and were subsequently exercised. No options were exercised during the year ended December 31, 2021.

The total intrinsic value of the options exercised during the year ended December 31, 2020 was $0.1 million. The intrinsic value is the difference between the estimated fair value of the Company's common stock at the time of exercise, as determined by the board of directors, and the exercise price of the stock option.

The total fair value of options that vested during the year ended December 31, 2020 and 2021 was $0.1 million and $1.2 million, respectively. The weighted-average grant date fair value of options granted during the year ended December 31, 2020 and 2021 was $2.04 and $5.13 per share, respectively.

Stock-Based Compensation Expense

Stock based compensation expense recognized for stock option grants included in the accompanying consolidated statements of operations and comprehensive loss is as follows (in thousands):

	Year Ended December 31,	
	2020	2021
Research and development	$ 94	$ 394
General and administrative	25	1,140
Total stock-based compensation expense	$119	$1,534

As of December 31, 2020, there were no outstanding options and no unrecognized compensation cost related to options. As of December 31, 2021, 1,821,982 unvested options were outstanding with unrecognized compensation costs of $8.5 million expected to be recognized over a weighted-average period of approximately 3.6 years.

In determining the fair value of the stock options granted, the Company uses the Black-Scholes option-pricing model and assumptions discussed below. Each of these inputs is subjective and generally requires significant judgment.

Expected Term—The Company's expected term represents the period that the Company's stock- based awards are expected to be outstanding.

Expected Volatility—Since the Company is privately held and does not have any trading history for its common stock, the expected volatility was estimated based on the average historical volatilities for comparable publicly traded pharmaceutical companies over a period equal to the expected term of the stock option grants. The comparable companies were chosen based on their similar size, stage in the life cycle and area of specialty. The Company will continue to apply this process until a sufficient amount of historical information regarding the volatility of its own stock price becomes available.

Risk-Free Interest Rate—The risk-free interest rate is based on the U.S. Treasury zero coupon issues in effect at the time of grant for periods corresponding with the expected term of option.

Expected Dividend Yield—The Company has never paid dividends on its common stock and has no plans to pay dividends on its common stock. Therefore, the Company used an expected dividend yield of zero.

The fair value of stock options was estimated using the following weighted average assumptions:

	Year Ended December 31,	
	2020	2021
Risk-free interest rate	0.09%	1.10%
Expected volatility	52%	77%
Expected term (in years)	0.25	6.03
Expected dividend yield	—	—

Restricted Stock

For the year ended December 31, 2020 and 2021, the Company recognized $0 and $0.2 million in stock-based compensation, respectively, related to the restricted stock issued to certain founders. As of December 31,

2021, the total unrecognized compensation related to the 70,780 unvested restricted stock awards granted was $0.2 million, which the Company expects to recognize over a weighted-average period of approximately 0.9 years.

11. Income Taxes

The Company's loss before for income taxes for the years ended December 31, 2020 and 2021 were generated in the following jurisdictions (in thousands):

	Year Ended December 31,	
	2020	2021
Domestic	$ (80)	$ (6,181)
Foreign	(1,809)	(21,100)
Worldwide	$ (1,889)	$ (27,281)

The components of net deferred income taxes consisted of the following as of December 31, 2020 and 2021 (in thousands):

	December 31,	
	2020	2021
Deferred tax assets:		
Net operating loss carryforwards	$ 820	$ 3,103
Research and development credits	—	36
Accrued expenses	—	234
Stock compensation accruals	—	264
Other	—	—
Deferred tax assets	820	3,637
Deferred tax liabilities		
Fixed Assets	—	(13)
Deferred tax liabilities	—	(13)
Net deferred tax assets	820	3,624
Valuation allowance	(820)	(3,624)
Net deferred tax assets	$ —	$ —

A reconciliation of income tax expense to the amount computed by applying the statutory federal income tax rate to the loss from operations is summarized for the years ended December 31, 2020 and 2021, as follows:

	Year Ended December 31,	
	2020	2021
Tax at statutory rate	21.0%	21.0%
State tax (net of federal benefit)	(3.0)%	0.7%
Permanent differences	0.0%	(0.6)%
Research and development credit	0.0%	0.2%
UK R&D credit	0.0%	(9.4)%
Foreign rate differential	0.0%	(1.5)%
Change in valuation allowance	(18.0)%	(10.3)%
Other	0.0%	(0.1)%
Income tax expense (benefit)	0%	0%

The Company had federal net operating loss (NOLs) carryforwards available of approximately $3.5 million as of December 31, 2021, before consideration of limitations under Section 382 of the Internal Revenue Code or Section 382, as further described below. The Company had state NOLs of $1.8 million as of December 31, 2021, which will begin expiring in 2041.

The Company has generated UK NOLs of $11.9 million which are subject to utilization criteria and restrictions (including those that limit the percentage of profits that can be reduced by carried forward losses and those that can restrict the use of carried forward losses where there is a change of ownership of more than half the ordinary shares of the company and a major change in the nature, conduct or scale of the trade), and which, subject to the above restrictions and potential future changes in law, and to any potential restructuring or changes in the nature of our operations, may be eligible for carry forward against future operating profits and/or other taxable profits or gains.

For U.S. federal income tax purposes, the future utilization of the Company's NOLs to offset future taxable income may be subject to a substantial annual limitation as a result of changes in ownership by stockholders that hold 5% or more of the Company's common stock. An assessment of such ownership changes under Section 382 was not completed through December 31, 2021. To the extent that an assessment is completed in the future, the Company's ability to utilize tax attributes could be restricted on a year-by-year basis and certain attributes could expire before they are utilized. The Company will examine the impact of any potential ownership changes in the future.

The Company is subject to taxation in the U.S. and the UK. The Company's federal and state returns since inception are subject to examination due to the carryover of net operating losses. The Company has not been, nor is it currently, under examination by any tax authorities. The UK tax returns from 2019 and forward are subject to examination by the UK tax authorities.

12. Subsequent Events

The Company evaluated subsequent events for recognition and measurement purposes through April 8, 2022, the date the financial statements were available for issuance.

Intellectual Property Transfer

In January 2022, the Company's wholly-owned subsidiary, PepGen Limited, transferred all intellectual property assets to the parent Company, PepGen Inc., pursuant to an asset transfer agreement. The transfer of the intellectual property assets will result in a tax liability to Her Majesty's Revenue & Customs in the range of $2.0 million to $3.8 million. The Company expects to record the tax liability in the first quarter of 2022.

Option Grants

During February and March 2022, the Company granted an aggregate of 180,150 stock options to employees under the 2020 Plan with an exercise price of $11.03.

Through and including , 2022 (25 days after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Shares

Common Stock

PROSPECTUS

BofA Securities

SVB Leerink

Stifel

Wedbush PacGrow

PART II

Information Not Required in Prospectus

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the fees and expenses, other than underwriting discounts and commissions, payable in connection with the registration of the common stock hereunder. All amounts are estimates except the SEC registration fee.

	Amount to be Paid
SEC registration fee	$ *
FINRA filing fee	*
Nasdaq Global Market listing fee	*
Printing and mailing expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Transfer agent and registrar fees and expenses	*
Miscellaneous	*
Total	$ *

* To be completed by amendment.

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law, or DGCL, authorizes a corporation to indemnify its directors and officers against liabilities arising out of actions, suits and proceedings to which they are made or threatened to be made a party by reason of the fact that they have served or are currently serving as a director or officer to a corporation. The indemnity may cover expenses (including attorneys' fees) judgments, fines and amounts paid in settlement actually and reasonably incurred by the director or officer in connection with any such action, suit or proceeding. Section 145 permits corporations to pay expenses (including attorneys' fees) incurred by directors and officers in advance of the final disposition of such action, suit or proceeding. In addition, Section 145 provides that a corporation has the power to purchase and maintain insurance on behalf of its directors and officers against any liability asserted against them and incurred by them in their capacity as a director or officer, or arising out of their status as such, whether or not the corporation would have the power to indemnify the director or officer against such liability under Section 145.

We have adopted provisions in our amended and restated certificate of incorporation to be in effect upon the closing of this offering and amended and restated bylaws to be in effect upon the effectiveness of this registration statement of which this prospectus forms a part that limit or eliminate the personal liability of our directors to the fullest extent permitted by the DGCL, as it now exists or may in the future be amended. Consequently, a director will not be personally liable to us or our stockholders for monetary damages or breach of fiduciary duty as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- any unlawful payments related to dividends or unlawful stock purchases, redemptions or other distributions; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not alter director liability under the federal securities laws and do not affect the availability of equitable remedies such as an injunction or rescission.

In addition, the bylaws to be in effect upon the effectiveness of this registration statement provide that:

- we will indemnify our directors, officers and, in the discretion of our board of directors, certain employees to the fullest extent permitted by the DGCL, as it now exists or may in the future be amended; and

- we will advance reasonable expenses, including attorneys' fees, to our directors and, in the discretion of our board of directors, to our officers and certain employees, in connection with legal proceedings relating to their service for or on behalf of us, subject to limited exceptions.

We intend to enter into indemnification agreements with each of our directors and executive officers. These agreements will provide that we will indemnify each of our directors, certain of our executive officers and, at times, their affiliates to the fullest extent permitted by Delaware law. We will advance expenses, including attorneys' fees (but excluding judgments, fines and settlement amounts), to each indemnified director, executive officer or affiliate in connection with any proceeding in which indemnification is available and we will indemnify our directors and officers for any action or proceeding arising out of that person's services as a director or officer brought on behalf of us or in furtherance of our rights. Additionally, certain of our directors or officers may have certain rights to indemnification, advancement of expenses or insurance provided by their affiliates or other third parties, which indemnification relates to and might apply to the same proceedings arising out of such director's or officer's services as a director referenced herein. Nonetheless, we will agree in the indemnification agreements that our obligations to those same directors or officers are primary and any obligation of such affiliates or other third parties to advance expenses or to provide indemnification for the expenses or liabilities incurred by those directors are secondary.

We will maintain general liability insurance which covers certain liabilities of our directors and officers arising out of claims based on acts or omissions in their capacities as directors or officers, including liabilities under the Securities Act of 1933, as amended, or the Securities Act.

The underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification of us and our directors and officers by the underwriters against certain liabilities under the Securities Act and the Securities Exchange Act of 1934.

Item 15. Recent Sales of Unregistered Securities.

In the three years preceding the filing of this registration statement, we have issued the following securities that were not registered under the Securities Act:

(a) Issuances of Capital Stock

Set forth below is information regarding securities we have issued within the past three years that were not registered under the Securities Act.

In November 2020, we elected to convert 1,372,970 shares of Class A and Class B common stock that were previously sold for aggregate proceeds of $6.4 million into shares of Series A-1 convertible stock at a price of $4.6372 per share. Each share of our Series A-1 Convertible Preferred Stock will convert automatically into one share of our common stock immediately prior to the completion of this offering.

In November 2020, with subsequent closings in May 2021 and July 2021, we sold an aggregate of 3,939,069 shares of Series A-2 Convertible Preferred Stock at a purchase price of $11.4240 per share for aggregate proceeds of $45.0 million. Each share of our Series A-2 Convertible Preferred Stock will convert automatically into one share of our common stock immediately prior to the completion of this offering.

In connection with the Series A-2 Convertible Preferred Stock financing, we also issued to RA Capital Healthcare Fund, L.P., Blackwell Partners LLC—Series A and RA Capital Nexus Fund II, L.P. warrants to purchase, in the aggregate, up to 35,529 shares of Series A-2 Convertible Preferred Stock.

In July 2021, we sold an aggregate of 7,234,766 shares of Series B Convertible Preferred Stock at a purchase price of $15.5499 per share for aggregate proceeds of $112.5 million. Each share of our Series B Convertible Preferred Stock will convert automatically into one share of our common stock immediately prior to the completion of this offering.

No underwriters were involved in the foregoing sales of securities. Unless otherwise stated, the sales of securities described above were deemed to be exempt from registration pursuant to Section 4(a)(2) of the Securities Act, including Regulation D and Rule 506 promulgated thereunder, as transactions by an issuer not involving a public offering. All of the purchasers in these transactions represented to us in connection with their purchase that they were acquiring the securities for investment and not distribution, that they could bear the risks of the investment and could hold the securities for an indefinite period of time. Such purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration or an available exemption from such registration. All of the foregoing securities are deemed restricted securities for the purposes of the Securities Act.

(b) Grants and Exercises of Stock Options

As of December 31, 2021, we have granted stock options to purchase an aggregate of 1,932,273 shares of our common stock, with an exercise price of $0.00 to $11.56 per share, to employees, directors and consultants pursuant to the 2020 Plan. No shares of common stock have been issued upon the exercise of stock options pursuant to the 2020 Plan; provided, however, prior to the reorganization of PepGen Limited and PepGen Inc. in November 2020, options to purchase 51,720 ordinary shares that had previously been granted under the PepGen Limited 2020 Share Scheme were exercised and issued. In connection with the reorganization, the exercised ordinary shares were converted into Class A common stock of PepGen Inc. on a one-to-one basis.

The issuances of the securities described above were deemed to be exempt from registration pursuant to Section 4(a)(2) of the Securities Act or Rule 701 promulgated under the Securities Act as transactions pursuant to compensatory benefit plans. The shares of common stock issued upon the exercise of options are deemed to be restricted securities for purposes of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits

Exhibit Number	Description
1.1*	Form of Underwriting Agreement
3.1	Second Amended and Restated Certificate of Incorporation of Registrant, as currently in effect
3.2*	Form of Third Amended and Restated Certificate of Incorporation of Registrant, to be effective upon the closing of this offering
3.3	Bylaws of Registrant, as currently in effect
3.4*	Form of Amended and Restated Bylaws of Registrant, to be effective upon the closing of this offering
4.1	Amended and Restated Investors' Rights Agreement, dated July 30, 2021, among the Registrant and certain of its stockholders
4.2*	Specimen Common Stock Certificate
5.1*	Opinion of Goodwin Procter LLP
10.1	2020 Stock Plan, as amended, and forms of award agreements thereunder
10.2*	2022 Stock Option and Incentive Plan, and forms of award agreements thereunder
10.3*	2022 Employee Stock Purchase Plan
10.4*	Senior Executive Cash Incentive Bonus Plan
10.5*	Form of Indemnification Agreement between the Registrant and each of its directors and executive officers
10.6	Employment Agreement, dated January 21, 2021, between James McArthur and the Registrant
10.7	Employment Agreement, dated September 29, 2021, between Noel Donnelly and the Registrant
10.8	Employment Agreement, dated September 17, 2021, between Jaya Goyal and the Registrant
10.9	Employment Agreement, dated November 1, 2018, between Caroline Godfrey and the Registrant
10.10†	License of Technology, dated November 23, 2020, among Oxford University Innovation Limited, Medical Research Counsel as part of United Kingdom Research and Innovation and PepGen Limited
10.11	Lease, dated December 1, 2021, between B9 LS Harrison & Washington LLC and the Registrant
21.1	Subsidiaries of Registrant
23.1	Consent of KPMG LLP, independent registered public accounting firm
23.2*	Consent of Goodwin Procter LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included on signature page)
107	Calculation of Filing Fee Table

* To be filed by amendment.
** Previously filed.
† Portions of this exhibit (indicated by asterisks) will be omitted in accordance with the rules of the Securities and Exchange Commission.

(b) Financial Statements Schedules:

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings.

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the Underwriting Agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, or the Securities Act, may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The Registrant hereby undertakes that:

(i) For purposes of determining any liability under the Securities Act, the information omitted from a form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in the form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act, shall be deemed to be part of this registration statement as of the time it was declared effective.

(ii) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act, the PepGen Inc. has duly caused this registration statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Cambridge, Commonwealth of Massachusetts, on the 15th day of April, 2022.

PEPGEN INC.

By: /s/ James McArthur
Name: James McArthur, Ph.D.
Title: President and Chief Executive Officer

POWER OF ATTORNEY AND SIGNATURES

Each individual whose signature appears below hereby constitutes and appoints James McArthur, Ph.D. and Noel Donnelly as such person's true and lawful attorney-in-fact and agent with full power of substitution and resubstitution, for such person in such person's name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement (or any Registration Statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933), and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission granting unto each said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that any said attorney-in-fact and agent, or any substitute or substitutes of any of them, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement and power of attorney have been signed by the following persons in the capacities and on the date indicated.

Name	Title	Date
/s/ James McArthur James McArthur, Ph.D.	President, Chief Executive Officer and Director (*Principal Executive Officer*)	April 15, 2022
/s/ Noel Donnelly Noel Donnelly, M.B.A.	Chief Financial Officer (*Principal Financial Officer and Principal Accounting Officer*)	April 15, 2022
/s/ Christopher Ashton Christopher Ashton, Ph.D.	Director	April 15, 2022
/s/ Heidi Henson Heidi Henson	Director	April 15, 2022
/s/ Laurie B. Keating Laurie B. Keating, J.D.	Director	April 15, 2022
/s/ Joshua Resnick Joshua Resnick, M.D., M.B.A	Director	April 15, 2022

SECOND AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF PEPGEN INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

PepGen Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"),

DOES HEREBY CERTIFY:

1. That the name of this corporation is PepGen Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on November 9, 2020.

2. That the Board of Directors duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended and restated in its entirety to read as follows:

FIRST: The name of this corporation is PepGen Inc. (the "**Corporation**").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington 19801, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

FOURTH: This corporation is authorized to issue two classes of stock to be designated, respectively, Common Stock and Preferred Stock (as each such term is defined below).

The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 16,000,000 shares of Class A Common Stock, $0.0001 par value per share (the "**Class A Common Stock**" or "**Common Stock**") and (ii) 12,582,334 shares of Preferred Stock, $0.0001 par value per share ("**Preferred Stock**").

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one (1) vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Second Amended and Restated Certificate of Incorporation (the "**Restated Certificate of Incorporation**") that relates solely to the terms of one (1) or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one (1) or more other such series, to vote thereon pursuant to this Restated Certificate of Incorporation or pursuant to the General Corporation Law. There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one (1) or more series of Preferred Stock that may be required by the terms of this Restated Certificate of Incorporation) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, voting together as a single class on an as-converted to Common Stock basis, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

B. PREFERRED STOCK

1,372,970 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series A-1 Preferred Stock,**" 3,974,598 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series A-2 Preferred Stock**" (and together with the Series A-1 Preferred Stock, the "**Series A Preferred Stock**") and 7,234,766 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series B Preferred Stock**", each with the following rights, preferences, powers, privileges and restrictions, qualifications and limitations. Unless otherwise indicated, references to "Sections" in this Part B of this Article Fourth refer to sections of Part B of this Article Fourth. References to "**Preferred Stock**" mean the Series A Preferred Stock together with the Series B Preferred Stock.

1. Dividends.

(a) The holders of then outstanding shares of Preferred Stock shall be entitled to receive, only when, as and if declared by the unanimous approval of the Board of Directors, out of any funds and assets legally available therefor, dividends at the rate of 6% of the Original Issue Price (as defined below) for each share of Preferred Stock, prior and in preference to any declaration or payment of any other dividend (other than dividends on shares of Common Stock payable in shares of Common Stock). The right to receive dividends on shares of Preferred Stock pursuant to the preceding sentence of this Section 1 shall not be cumulative, and no right to dividends shall accrue to holders of Preferred Stock by reason of the fact that dividends on said shares are not declared. The Corporation shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on

shares of Common Stock payable in shares of Common Stock or dividends pursuant to Section 1(b) below) unless (in addition to the obtaining of any consents required elsewhere in this Restated Certificate of Incorporation) the holders of the Preferred Stock then outstanding shall first receive, or simultaneously receive, in addition to the dividends payable pursuant to the first sentence of this Section 1(a), a dividend on each outstanding share of Preferred Stock in an amount at least equal to (i) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Preferred Stock as would equal the product of (A) the dividend payable on each share of such class or series determined, if applicable, as if all shares of such class or series had been converted into Common Stock and (B) the number of shares of Common Stock issuable upon conversion of a share of Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (ii) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Preferred Stock determined by (A) dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series) and (B) multiplying such fraction by an amount equal to the Original Issue Price; provided that, if the Corporation declares, pays or sets aside, on the same date, a dividend on shares of more than one (1) class or series of capital stock of the Corporation, the dividend payable to the holders of Preferred Stock pursuant to this Section 1(a) shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Preferred Stock dividend. The "**Original Issue Price**" shall mean, (x) with respect to the Series A-1 Preferred Stock, $4.6372 per share, (y) with respect to the Series A-2 Preferred Stock $11.4240 per share, and (z) with respect to the Series B Preferred Stock, $15.5499 per share, in each case subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the applicable Preferred Stock.

(b) After payment of the dividends pursuant to Section 1(a) above, any additional dividends or distributions shall be distributed among the holders of Series A-1 Preferred Stock, Series A-2 Preferred Stock and Common Stock until such holders have received an amount per share of Series A-1 Preferred Stock, Series A-2 Preferred Stock or Common Stock, as applicable, of dividends or distributions equal to the dividends and distributions paid per share to the holders of the Series B Preferred Stock (by virtue of their ownership thereof) pursuant to Section 1(a) above.

(c) After payment of the foregoing dividends, any additional dividends or distributions shall be distributed among all holders of Common Stock and Preferred Stock in proportion to the number of shares of Common Stock that would be held by each such holder if all shares of Preferred Stock were converted to Common Stock at the then effective Conversion Price (as defined below).

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Preferential Payments to Holders of Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Preferred Stock then outstanding shall be entitled to be paid out of the assets of the

Corporation available for distribution to its stockholders, and in the event of a Deemed Liquidation Event (as defined below), the holders of shares of Preferred Stock then outstanding shall be entitled to be paid out of the consideration payable to stockholders in such Deemed Liquidation Event or out of the Available Proceeds (as defined below), as applicable, in each case before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the greater of (i) the applicable Original Issue Price, plus any dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had all shares of Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (the amount payable pursuant to this sentence is hereinafter referred to as the "**Liquidation Amount**"). If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Preferred Stock the full amount to which they shall be entitled under this Section 2.1, the holders of shares of Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and in the event of any Deemed Liquidation Event, after the payment in full of all Liquidation Amounts required to be paid to the holders of shares of Preferred Stock, the remaining assets of the Corporation available for distribution to its stockholders or, in the case of a Deemed Liquidation Event, the consideration not payable to the holders of shares of Preferred Stock pursuant to Section 2.1 or the remaining Available Proceeds, as the case may be, shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares held by each such holder.

2.3 Deemed Liquidation Events.

2.3.1 Definition. Each of the following events shall be considered a "**Deemed Liquidation Event**" unless the holders of at least a majority of the outstanding shares of Preferred Stock (voting as a single class and on an as-converted basis) (the "**Requisite Holders**") elect otherwise by written notice sent to the Corporation at least 10 days prior to the effective date of any such event:

(a) a merger or consolidation in which

(i) the Corporation is a constituent party or

(ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation,

except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, a majority, by voting power,

of the capital stock of (1) the surviving or resulting corporation; or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or

(b) (1) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the business or assets of the Corporation and its subsidiaries taken as a whole, or (2) the sale or disposition (whether by merger, consolidation or otherwise, and whether in a single transaction or a series of related transactions) of one (1) or more subsidiaries of the Corporation if substantially all of the business or assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

2.3.2 Effecting a Deemed Liquidation Event.

(a) Preservation of Preference. The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Section 2.3.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction (the "**Merger Agreement**") provides that the consideration payable to the stockholders of the Corporation in such Deemed Liquidation Event shall be allocated to the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2.

(b) Redemption Request; Available Proceeds. In the event of a Deemed Liquidation Event referred to in Section 2.3.1(a)(ii) or 2.3.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Preferred Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause (ii) to require the redemption of such shares of Preferred Stock, and (ii) if the Requisite Holders so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after such Deemed Liquidation Event (a "**Redemption Request**"), the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors (as defined herein)), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "**Available Proceeds**"), on the one hundred fiftieth (150th) day after such Deemed Liquidation Event (the "**Redemption Date**"), to redeem all outstanding shares of Preferred Stock at a price per share equal to the applicable Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Preferred Stock, the Corporation shall redeem a pro rata portion of each holder's shares of Preferred Stock to the fullest extent of such Available Proceeds, based on the respective amounts which would otherwise be payable in respect of the shares to be redeemed if the Available Proceeds were sufficient to redeem all such shares, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to

stockholders. Prior to the distribution or redemption provided for in this Section 2.3.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event or in the ordinary course of business.

(c) Redemption Notice. In the event the Corporation timely receives a Redemption Request pursuant to Subsection 2.3.2(b), the Corporation shall send written notice of the redemption (the "**Redemption Notice**") to each holder of record of Preferred Stock subject to the Redemption Request not less than thirty (30) days prior to the Redemption Date, which Redemption Notices shall state: (i) the number and series of shares of Preferred Stock held by the holder that the Corporation shall redeem on the Redemption Date specified in the Redemption Notice; (ii) the Redemption Date and the redemption price; (iii) the date upon which the holder's right to convert such shares terminates; and (iv) for holders of shares in certificated form, that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Preferred Stock to be redeemed.

(d) Surrender of Certificates; Payment. On or before the applicable Redemption Date, each holder of shares of Preferred Stock to be redeemed on such Redemption Date, unless such holder has exercised his, her or its right to convert such shares as provided in Section 4, shall, if a holder of shares in certificated form, surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation, in the manner and at the place designated in the Redemption Notice, and thereupon the portion of Available Proceeds applicable for such shares shall be payable to the order of the person or entity whose name appears on such certificate or certificates as the owner thereof. In the event less than all of the shares of Preferred Stock represented by a certificate are redeemed, a new certificate representing the unredeemed shares of Preferred Stock shall promptly be issued to such holder or a new book entry shall be made representing the unredeemed shares of Preferred Stock, as applicable.

(e) Rights Subsequent to Redemption. If the Redemption Notice shall have been duly given, and if on the applicable Redemption Date the portion of Available Proceeds payable upon redemption of the shares of Preferred Stock to be redeemed on such Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor in a timely manner, then notwithstanding that any certificates evidencing any of the shares of Preferred Stock so called for redemption shall not have been surrendered, all rights with respect to such shares shall forthwith after the Redemption Date terminate, except only the right of the holders to receive the portion of Available Proceeds applicable to such holders' shares of Preferred Stock, without interest upon surrender of any such certificate or certificates therefor.

2.3.3 Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities to be paid or distributed to such holders pursuant to

such Deemed Liquidation Event. The value of such property, rights or securities shall be determined in good faith by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors (as defined in the Amended and Restated Investors' Rights Agreement, dated on or around the date hereof, by and among the Corporation and the other parties thereto, as such agreement may be amended from time to time (the "**Amended and Restated Investors' Rights Agreement**"), such approval not to be unreasonably withheld, conditioned or delayed.

2.3.4 Allocation of Escrow and Contingent Consideration. In the event of a Deemed Liquidation Event pursuant to Section 2.3.1(a)(i), if any portion of the consideration payable to the stockholders of the Corporation is payable only upon satisfaction of contingencies (the "**Additional Consideration**"), the Merger Agreement shall provide that (a) the portion of such consideration that is not Additional Consideration (such portion, the "**Initial Consideration**") shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event; and (b) any Additional Consideration which becomes payable to the stockholders of the Corporation upon satisfaction of such contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2 after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Section 2.3.4, consideration placed into escrow or retained as a holdback to be available for satisfaction of indemnification or similar obligations or otherwise subject to contingencies in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

3. Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or by the other provisions of this Restated Certificate of Incorporation, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class and on an as-converted to Common Stock basis.

3.2 Election of Directors. The holders of record of the shares of Preferred Stock, together as a single class on an as-converted to Common Stock basis, shall be entitled to elect three (3) directors of the Corporation (each, a "**Preferred Director**" and collectively, the "**Preferred Directors**"); provided, however, for administrative convenience, the initial Preferred Directors may also be appointed by the Board of Directors in connection with the approval of the initial issuance of Preferred Stock without a separate action by the holders of Preferred Stock. Any director elected as provided in the preceding sentence may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class or series of capital stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. If the holders of shares of Preferred Stock or Common Stock, as the case may be, fail to elect a sufficient number of directors

to fill all directorships for which they are entitled to elect directors, voting exclusively and as a separate class, pursuant to the first sentence of this Section 3.2, then any directorship not so filled shall remain vacant until such time as the holders of the Preferred Stock or Common Stock, as the case may be, elect a person to fill such directorship by vote or written consent in lieu of a meeting; and no such directorship may be filled by stockholders of the Corporation other than by the stockholders of the Corporation that are entitled to elect a person to fill such directorship, voting exclusively and as a separate class. The holders of record of the shares of Common Stock and of any other class or series of voting stock (including the Preferred Stock), exclusively and voting together as a single class, shall be entitled to elect the balance of the total number of directors of the Corporation. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director. Except as otherwise provided in this Section 3.2, a vacancy in any directorship filled by the holders of any class or classes or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or classes or series or by any remaining director or directors elected by the holders of such class or classes or series pursuant to this Section 3.2.

3.3 Preferred Stock Protective Provisions. At any time when at least 3,145,581 shares of Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Preferred Stock) are outstanding, the Corporation shall not (and the Corporation shall procure that none of its subsidiaries shall), either directly or indirectly by amendment, merger, consolidation, recapitalization, reclassification, or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate of Incorporation) the written consent or affirmative vote of the Requisite Holders given in writing or by vote at a meeting, consenting or voting (as the case may be) together as a single class on an as-converted to Common Stock basis, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect:

3.3.1 liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any merger or consolidation (including any merger or consolidation that does not constitute a Deemed Liquidation Event, unless each series of Preferred Stock is converted into or exchanged for shares of an identical series of preferred stock of the surviving or acquiring corporation) or any other Deemed Liquidation Event, including any merger, acquisition, business combination or similar transaction with a special purpose acquisition company or its subsidiary or affiliate, or consent to any of the foregoing;

3.3.2 amend, waive, alter or repeal any provision of this Restated Certificate of Incorporation or Bylaws of the Corporation;

3.3.3 (i) create, or authorize the creation of, or issue or obligate itself to issue shares of, any additional class or series of capital stock unless the same ranks junior to the Preferred Stock with respect to its rights, preferences and privileges, (ii) increase or decrease the authorized number of shares of Preferred Stock or Common Stock of the Corporation or increase the authorized number of shares of any additional class or series of capital stock of the Corporation, (iii) reclassify, alter or amend any existing security of the Corporation that is pari passu with the Preferred Stock with respect to its rights, preferences and privileges if such

reclassification, alteration or amendment would render such other security senior to the Preferred Stock in respect of any such right, preference, or privilege, or (iv) reclassify, alter or amend any existing security of the Corporation that is junior to the Preferred Stock with respect to its rights, preferences and privileges, if such reclassification, alteration or amendment would render such other security senior to or pari passu with the Preferred Stock in respect of any such right, preference or privilege;

3.3.4 purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of capital stock of the Corporation other than repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for the Corporation or any subsidiary in connection with the cessation of such employment or service at no greater than the original purchase price thereof;

3.3.5 enter into any corporate strategic relationship involving the payment, contribution, or assignment by the Corporation (or any subsidiary thereof) or to the Corporation (or any subsidiary thereof) of money or assets with a fair market value greater than two hundred fifty thousand dollars ($250,000);

3.3.6 sell, assign, license, pledge, encumber or grant any other interest in any material technology or intellectual property of the Corporation (or any of its subsidiaries), or enter into or grant any interest in any royalty streams related thereto, other than licenses granted in the ordinary course of business;

3.3.7 create, or hold capital stock in, any subsidiary that is not wholly owned (either directly or through one (1) or more other subsidiaries) by the Corporation, or permit any subsidiary to create, or authorize the creation of, or issue or obligate itself to issue, any shares of any class or series of capital stock, or sell, transfer or otherwise dispose of any capital stock of any direct or indirect subsidiary of the Corporation, or permit any direct or indirect subsidiary to sell, lease, transfer, exclusively license or otherwise dispose (in a single transaction or series of related transactions) of all or substantially all of the business or assets of such subsidiary; or

3.3.8 increase or decrease the authorized number of directors constituting the Board of Directors, change the number of votes entitled to be cast by any director or directors on any matter, or adopt any provision inconsistent with Article Sixth.

3.4 Variation Between Series A-1 Preferred Stock and Series A-2 Preferred Stock. At any time when shares of Series A-1 Preferred Stock and Series A-2 Preferred Stock (each, individually, the "**Relevant Series**") are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation, recapitalization, reclassification or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate of Incorporation) the written consent of the affirmative vote of the holders of a majority of such Relevant Series (the "**Requisite Series A Holders**") given in writing or by vote at a meeting, consenting or voting (as the case may be) together as a single class on an as-converted to Common Stock basis, and any such act or transaction entered into without such consent or vote shall be null and void ab initio, and of no force or effect:

3.4.1 amend, waive, alter or repeal any provision of this Restated Certificate of Incorporation or Bylaws of the Corporation in a manner that adversely affects the powers, preferences or rights of the Relevant Series (save where all series of Series A Preferred Stock are so affected in the same manner); or

3.4.2 amend, waive, alter or repeal this Section 3.4.

4. Optional Conversion. The holders of the Preferred Stock shall have conversion rights as follows (the "**Conversion Rights**"):

4.1 Right to Convert.

4.1.1 Conversion Ratio. Each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Class A Common Stock as is determined by dividing the applicable Original Issue Price by the Conversion Price (as defined below) in effect at the time of conversion. The "**Conversion Price**" shall initially be equal to (i) with respect to the Series A-1 Preferred Stock, the Series A-1 Original Issue Price, (ii) with respect to the Series A-2 Preferred Stock, the Series A-2 Original Issue Price and (iii) with respect to the Series B Preferred Stock, the Series B Original Issue Price. Such initial Conversion Prices, and the rate at which shares of Preferred Stock may be converted into shares of Class A Common Stock, shall be subject to adjustment as provided below.

4.1.2 Termination of Conversion Rights. In the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any such amounts distributable on such event to the holders of Preferred Stock; provided that the foregoing termination of Conversion Rights shall not affect the amount(s) otherwise paid or payable in accordance with Section 2.1 to holders of Preferred Stock pursuant to such liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event.

4.2 Fractional Shares. No fractional shares of Class A Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the number of shares of Class A Common Stock to be issued upon conversion of the Preferred Stock shall be rounded to the nearest whole share.

4.3 Mechanics of Conversion.

4.3.1 Notice of Conversion. In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Class A Common Stock, such holder shall (a) provide written notice to the Corporation's transfer agent at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent) that such holder elects to convert all or any number of such holder's shares of Preferred Stock and, if applicable, any event on which such conversion is contingent and (b), if such holder's shares are certificated, surrender the certificate or certificates for such shares of Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to

the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the shares of Class A Common Stock to be issued. If required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such notice and, if applicable, certificates (or lost certificate affidavit and agreement) shall be the time of conversion (the "**Conversion Time**"), and the shares of Class A Common Stock issuable upon conversion of the specified shares shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time (i) issue and deliver to such holder of Preferred Stock, or to his, her or its nominees, a certificate or certificates for the number of full shares of Class A Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Preferred Stock represented by the surrendered certificate that were not converted into Class A Common Stock, and (ii) pay all declared but unpaid dividends on the shares of Preferred Stock converted.

4.3.2 Reservation of Shares. The Corporation shall at all times when the Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Preferred Stock, such number of its duly authorized shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized but unissued shares of Class A Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Class A Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Restated Certificate of Incorporation. Before taking any action which would cause an adjustment reducing any Conversion Price below the then par value of the shares of Class A Common Stock issuable upon conversion of any series of Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Class A Common Stock at such adjusted Conversion Price.

4.3.3 Effect of Conversion. All shares of Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Class A Common Stock in exchange therefor and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

4.3.4 No Further Adjustment. Upon any such conversion, no adjustment to a Conversion Price shall be made for any declared but unpaid dividends on any series of Preferred Stock surrendered for conversion or on the Class A Common Stock delivered upon conversion.

4.3.5 Taxes. The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Class A Common Stock upon conversion of shares of Preferred Stock pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Class A Common Stock in a name other than that in which the shares of Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.4 Adjustments to Conversion Price for Diluting Issues.

4.4.1 Special Definitions. For purposes of this Article Fourth, the following definitions shall apply:

(a) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued (or, pursuant to Section 4.4.3 below, deemed to be issued) by the Corporation after the Original Issue Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, "**Exempted Securities**"):

(i) as to any series of Preferred Stock, shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on such series of Preferred Stock approved by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors;

(ii) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Section 4.5, 4.6, 4.7 or 4.8 approved by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors**;**

(iii) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors;

(iv) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security;

(v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors;

(vi) shares of Common Stock, Options or Convertible Securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by the Board of Directors of the Corporation , including the approval of the Requisite Preferred Directors;

(vii) shares of Common Stock, Options or Convertible Securities issued in connection with a Qualified IPO (as defined below);

(viii) shares of Common Stock, Options or Convertible Securities issued as acquisition consideration pursuant to the acquisition of another corporation by the Corporation by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided that such issuances are approved by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors;

(ix) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships approved by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors; or

(x) shares of Common Stock or Convertible Securities issued or issuable pursuant to the Purchase Agreement.

(b) "**Convertible Securities**" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(c) "**Option**" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

4.4.2 No Adjustment of Conversion Price. No adjustment in the Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the Requisite Holders agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

4.4.3 Deemed Issue of Additional Shares of Common Stock.

(a) If the Corporation at any time or from time to time after the Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to a Conversion Price pursuant to the terms of Section 4.4.4, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the applicable Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the lower of (i) the applicable Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Conversion Price pursuant to the terms of Section 4.4.4 (either because the consideration per share (determined pursuant to Section 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Conversion Price then in effect, or because such Option or Convertible Security was issued before the Original Issue Date), are revised after the Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Section 4.4.3(a)) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Conversion Price pursuant to the terms of Section 4.4.4, the Conversion Price shall be readjusted to such Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to a Conversion Price provided for in this Section 4.4.3 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (b) and (c) of this Section 4.4.3). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the Conversion Price that would result under the terms of this Section 4.4.3 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to such Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

4.4.4 Adjustment of Conversion Prices Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the

Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 4.4.3), without consideration or for a consideration per share less than a Conversion Price in effect immediately prior to such issuance or deemed issuance, then such applicable Conversion Price shall be reduced, concurrently with such issuance or deemed issuance, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$$CP_2 = CP_1 * (A + B) - (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(a) "CP_2" shall mean the applicable Conversion Price in effect immediately after such issuance or deemed issuance of Additional Shares of Common Stock

(b) "CP_1" shall mean the applicable Conversion Price in effect immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock;

(c) "A" shall mean the number of shares of Common Stock outstanding immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issuance or deemed issuance or upon conversion or exchange of Convertible Securities (including the Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

(d) "B" shall mean the number of shares of Common Stock that would have been issued if such Additional Shares of Common Stock had been issued or deemed issued at a price per share equal to CP_1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP_1); and

(e) "C" shall mean the number of such Additional Shares of Common Stock issued in such transaction.

4.4.5 Determination of Consideration. For purposes of this Section 4.4, the consideration received by the Corporation for the issuance or deemed issuance of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property. Such consideration shall:

(i) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(ii) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors; and

(iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors.

(b) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 4.4.3, relating to Options and Convertible Securities, shall be determined by dividing:

(i) The total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

4.4.6 Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to a Conversion Price pursuant to the terms of Section 4.4.4, and such issuance dates occur within a period of no more than ninety (90) days from the first such issuance to the final such issuance, then, upon the final such issuance, the Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

4.5 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Original Issue Date effect a subdivision of the outstanding Common Stock, each Conversion Price in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Original Issue Date combine the outstanding shares of Common Stock, each Conversion Price in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this Section shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.6 Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event each Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying each Conversion Price then in effect by a fraction:

(1) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(2) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (a) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, each Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter each Conversion Price shall be adjusted pursuant to this Section as of the time of actual payment of such dividends or distributions; and (b) that no such adjustment shall be made if the holders of Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of Preferred Stock had been converted into Common Stock on the date of such event.

4.7 Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend

or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received if all outstanding shares of Preferred Stock had been converted into Common Stock on the date of such event.

4.8 Adjustment for Merger or Reorganization, etc. Subject to the provisions of Section 2.3, if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Sections 4.4, 4.6 or 4.7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Preferred Stock shall thereafter be convertible in lieu of the Class A Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Class A Common Stock of the Corporation issuable upon conversion of one (1) share of Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors of the Corporation, including the approval of the Requisite Preferred Directors) shall be made in the application of the provisions in this Section 4 with respect to the rights and interests thereafter of the holders of the Preferred Stock, to the end that the provisions set forth in this Section 4 (including provisions with respect to changes in and other adjustments of a Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Preferred Stock.

4.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of a Conversion Price pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and notify each holder of Preferred Stock of such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Preferred Stock (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Conversion Price then in effect, and (ii) the number of shares of Class A Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of such Preferred Stock.

4.10 Notice of Record Date. In the event:

(a) the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, Deemed Liquidation Event, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, Deemed Liquidation Event, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Preferred Stock and the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

5. Mandatory Conversion.

5.1 Trigger Events. Upon either (a) the closing of the sale of shares of Common Stock to the public at a price of at least $23.3248 per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Common Stock), in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $75 million of gross proceeds to the Corporation, and in connection with such offering the Common Stock is listed for trading on the Nasdaq Stock Market's National Market, the New York Stock Exchange or another exchange or marketplace approved the Board of Directors, including the approval of the Requisite Preferred Directors (a "**Qualified IPO**"), or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the Requisite Holders (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Conversion Time**"), then (i) all outstanding shares of Preferred Stock shall automatically be converted into shares of Class A Common Stock, at the then effective conversion rate as calculated pursuant to Section 4.1.1 and (ii) such shares may not be reissued by the Corporation.

5.2 Procedural Requirements. All holders of record of shares of Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Preferred Stock in certificated form shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate

has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to Section 5.1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 5.2. As soon as practicable after the Mandatory Conversion Time and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock, the Corporation shall (a) issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof and (b) pay any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

6. Redeemed or Otherwise Acquired Shares. Any shares of Preferred Stock that are redeemed, converted or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Preferred Stock following redemption, conversion or acquisition.

7. Waiver. Except as otherwise set forth herein, (a) any of the rights, powers, preferences and other terms of the Preferred Stock set forth herein may be waived on behalf of all holders of Preferred Stock by the affirmative written consent or vote of the holders of the Requisite Holders (provided that such waiver of rights, powers, preferences and/or other terms affects each series of Preferred Stock in the same manner) and (b) at any time more than one (1) series of Preferred Stock is issued and outstanding, any of the rights, powers, preferences and other terms of any series of Preferred Stock set forth herein may be waived on behalf of all holders of such series of Preferred Stock by the affirmative written consent or vote of the holders of at least a majority of the shares of such series of Preferred Stock then outstanding.

8. Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

FIFTH: Subject to any additional vote required by this Restated Certificate of Incorporation or Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

SIXTH: Subject to any additional vote required by this Restated Certificate of Incorporation, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation. Each director shall be entitled to one (1) vote on each matter presented to the Board of Directors; provided, however, that, (1) so long as the holders of Preferred Stock are entitled to elect a Preferred Director, the affirmative vote of the Requisite Preferred Directors then in office shall be required for the authorization by the Board of Directors of any of the matters set forth in Section 5.4 of the Amended and Restated Investors' Rights Agreement, dated on or around the date hereof, by and among the Corporation and the other parties thereto, as such agreement may be amended from time to time and (2) if the number of directors who vote "for" any matter brought before the Board of Directors equals the number of directors who vote "against" or "abstain" from voting on the matter (such matter, a "**Deadlocked Matter**"), then so long as the Independent Chair (as defined in the Amended and Restated Voting Agreement, dated on or around the date hereof, by and among the Corporation and the other parties thereto, as such agreement may be amended from time to time) is then serving as a director of the Corporation, the Independent Chair shall be entitled to two (2) votes with respect to such Deadlocked Matter for the sole purpose of deciding the Deadlocked Matter.

SEVENTH: Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

EIGHTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

NINTH: To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Ninth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any repeal or modification of the foregoing provisions of this Article Ninth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

TENTH: To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

Any amendment, repeal or modification of the foregoing provisions of this Article Tenth shall not (a) adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification or (b) increase the liability of any director of the Corporation with respect to any acts or omissions of such director, officer or agent occurring prior to, such amendment, repeal or modification.

ELEVENTH: The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Preferred Stock or any partner, member, director, stockholder, employee, affiliate or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, the persons referred to in clauses (i) and (ii) are "**Covered Persons**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation while such Covered Person is performing services in such capacity. Any repeal or modification of this Article Eleventh will only be prospective and will not affect the rights under this Article Eleventh in effect at the time of the occurrence of any actions or omissions to act giving rise to liability. Notwithstanding anything to the contrary contained elsewhere in this Restated Certificate of Incorporation, the affirmative vote of the Requisite Holders will be required to amend or repeal, or to adopt any provisions inconsistent with this Article Eleventh.

TWELFTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's certificate of incorporation or bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten (10) days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article Twelfth shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article Twelfth (including, without limitation, each portion of any sentence of this Article Twelfth containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

3. That the foregoing amendment and restatement was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4. That this Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this Corporation's Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

IN WITNESS WHEREOF, this Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on this 30th day of July, 2021.

By: /s/ James McArthur, Ph.D.
Name: James McArthur, Ph.D.
Title: Chief Executive Officer

BYLAWS OF

PEPGEN INC.

(A DELAWARE CORPORATION)

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BYLAWS
OF
PEPGEN INC.

ARTICLE I
OFFICES

1.1 **Registered Office**. The registered office shall be in the City of Wilmington, County of New Castle, State of Delaware.

1.2 **Offices**. The corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II
MEETINGS OF STOCKHOLDERS

2.1 **Location**. All meetings of the stockholders for the election of directors shall be held at such place as may be fixed from time to time by the Board of Directors, or at such other place either within or without the State of Delaware as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting; provided, however, that the Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211 of the Delaware General Corporations Law ("DGCL"). Meetings of stockholders for any other purpose may be held at such time and place, if any, within or without the State of Delaware, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof, or a waiver by electronic transmission by the person entitled to notice.

2.2 **Timing**. Annual meetings of stockholders shall be held at such date and time as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting, at which they shall elect by a plurality vote a Board of Directors, and transact such other business as may properly be brought before the meeting.

2.3 **Notice of Meeting**. Written notice of any stockholder meeting stating the place, if any, date and hour of the meeting, the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, shall be given to each stockholder entitled to vote at such meeting not fewer than ten (10) nor more than sixty (60) days before the date of the meeting.

2.4 **Stockholders' Records**. The officer who has charge of the stock ledger of the corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address (but not the electronic address or other electronic contact information) of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least 10 days prior to the meeting: (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the corporation.

In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

2.5 **Special Meetings**. Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute or by the certificate of incorporation, may be called by the Chief Executive Officer and shall be called by the Chief Executive Officer or secretary at the request in writing of a majority of the Board of Directors, or at the request in writing of stockholders owning a majority of the entire capital stock of the corporation issued and outstanding and entitled to vote. Such request shall state the purpose or purposes of the proposed meeting.

2.6 **Notice of Meeting**. Written notice of a special meeting stating the place, date and hour of the meeting and the purpose or purposes for which the meeting is called, shall be given not fewer than ten (10) nor more than sixty (60) days before the date of the meeting, to each stockholder entitled to vote at such meeting. The means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting shall also be provided in the notice.

2.7 **Business Transacted at Special Meeting**. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

2.8 **Quorum; Meeting Adjournment; Presence by Remote Means**.

(a) *Quorum; Meeting Adjournment*. The holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the certificate of incorporation. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted that might have been transacted at the meeting as originally notified. If the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

(b) *Presence by Remote Means*. If authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may

adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication:

(1) participate in a meeting of stockholders; and

(2) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (i) the corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder, (ii) the corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (iii) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the corporation.

2.9 **Voting Thresholds**. When a quorum is present at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the certificate of incorporation, a different vote is required, in which case such express provision shall govern and control the decision of such question.

2.10 **Number of Votes Per Share**. Unless otherwise provided in the certificate of incorporation, each stockholder shall at every meeting of the stockholders be entitled to one vote by such stockholder or by proxy for each share of the capital stock having voting power held by such stockholder, but no proxy shall be voted on after three years from its date, unless the proxy provides for a longer period.

2.11 **Action by Written Consent of Stockholders; Electronic Consent; Notice of Action**.

(a) *Action by Written Consent of Stockholders.* Unless otherwise provided by the certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent in writing setting forth the action so taken, is signed in a manner permitted by law by the holders of outstanding stock having not less than the number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Written stockholder consents shall bear the date of signature of each stockholder who signs the consent in the manner permitted by law and shall be delivered to the corporation as provided in subsection (b) below. No written consent shall be effective to take the action set forth therein unless, within sixty (60) days of the earliest dated consent delivered to the corporation in the manner provided above, written consents signed by a sufficient number of stockholders to take the action set forth therein are delivered to the corporation in the manner provided above.

(b) *Electronic Consent*. A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this section, provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (1) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder or proxyholder and (2) the date on which such stockholder or proxyholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by telegram, cablegram or other electronic transmission may be otherwise delivered to the principal place of business of the corporation or to an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded if, to the extent and in the manner provided by resolution of the Board of Directors of the corporation.

(c) *Notice of Action*. Prompt notice of any action taken pursuant to this Section 2.11 shall be provided to the stockholders in accordance with Section 228(e) of the DGCL.

ARTICLE III
DIRECTORS

3.1 **Authorized Directors**. The number of directors that shall constitute the whole Board of Directors shall be determined by resolution of the Board of Directors or by the stockholders at the annual meeting of the stockholders, except as provided in Section 3.2 of this Article, and each director elected shall hold office until his or her successor is elected and qualified. Directors need not be stockholders.

3.2 **Vacancies**. Unless otherwise provided in the corporation's certificate of incorporation, as it may be amended, vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify, unless sooner displaced. If there are no directors in office, then an election of directors may be held in the manner provided by statute. If, at the time of filling any vacancy or any newly created directorship, the directors then in office shall constitute less than a majority of the whole Board of Directors (as constituted immediately prior to any such increase), the Court of Chancery may, upon application of any stockholder or stockholders holding at least ten percent (10%) of the total number of the shares at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office.

3.3 **Board Authority**. The business of the corporation shall be managed by or under the direction of its Board of Directors, which may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the certificate of incorporation or by these bylaws directed or required to be exercised or done by the stockholders.

3.4 **Location of Meetings**. The Board of Directors of the corporation may hold meetings, both regular and special, either within or without the State of Delaware.

3.5 **First Meeting**. The first meeting of each newly elected Board of Directors shall be held at such time and place as shall be fixed by the vote of the stockholders at the annual meeting and no notice of such meeting shall be necessary to the newly elected directors in order to legally constitute the meeting, provided a quorum shall be present. In the event of the failure of the stockholders to fix the time or place of such first meeting of the newly elected Board of Directors, or in the event such meeting is not held at the time and place so fixed by the stockholders, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors, or as shall be specified in a written waiver signed by all of the directors.

3.6 **Regular Meetings**. Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the Board of Directors.

3.7 **Special Meetings**. Special meetings of the Board of Directors may be called by the Chief Executive Officer upon notice to each director; special meetings shall be called by the Chief Executive Officer or secretary in like manner and on like notice on the written request of two (2) directors unless the Board of Directors consists of only one director, in which case special meetings shall be called by the Chief Executive Officer or secretary in like manner and on like notice on the written request of the sole director. Notice of any special meeting shall be given to each director at his or her business or residence in writing, or by telegram, facsimile transmission, telephone communication or electronic transmission (provided, with respect to electronic transmission, that the director has consented to receive the form of transmission at the address to which it is directed). If mailed, such notice shall be deemed adequately delivered when deposited in the United States mails so addressed, with postage thereon prepaid, at least five (5) days before such meeting. If by telegram, such notice shall be deemed adequately delivered when the telegram is delivered to the telegraph company at least twenty-four (24) hours before such meeting. If by facsimile transmission or other electronic transmission, such notice shall be transmitted at least twenty-four (24) hours before such meeting. If by telephone, the notice shall be given at least twelve (12) hours prior to the time set for the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting, except for amendments to these Bylaws as provided under Section 8.1 of Article VIII hereof. A meeting may be held at any time without notice if all the directors are present (except as otherwise provided by law) or if those not present waive notice of the meeting in writing, either before or after such meeting.

3.8 **Quorum**. At all meetings of the Board of Directors, the greater of (a) a majority of the directors at any time in office, and (b) one-third of the number of directors fixed by the Board of Directors or by the stockholders pursuant to Section 3.1 of Article III hereof shall constitute a quorum for the transaction of business and any act of a majority of the directors present at any meeting at which there is a quorum shall be an act of the Board of Directors, except as may be otherwise specifically provided by statute or by the certificate of incorporation. If a quorum is not present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

3.9 **Action Without a Meeting**. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing, writings, electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee.

3.10 **Telephonic Meetings**. Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of the Board of Directors or any committee, by means of conference telephone or other means of communication by which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at the meeting.

3.11 **Committees**. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.

In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Any such committee, to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it, but no such committee shall have the power or authority in reference to the following matters: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval or (ii) adopting, amending or repealing any provision of these bylaws.

3.12 **Minutes of Meetings**. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

3.13 **Compensation of Directors**. Unless otherwise restricted by the certificate of incorporation or these bylaws, the Board of Directors shall have the authority to fix the compensation of directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as director. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

3.14 **Removal of Directors**. Unless otherwise provided by the certificate of incorporation or these bylaws, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of shares entitled to vote at an election of directors.

ARTICLE IV
NOTICES

4.1 **Notice**. Unless otherwise provided in these bylaws, whenever, under the provisions of the statutes or of the certificate of incorporation or of these bylaws, notice is required to be given to any director or stockholder, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, addressed to such director or stockholder, at his or her address as it appears on the records of the corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Notice to directors may also be given by telegram.

4.2 **Waiver of Notice**. Whenever any notice is required to be given under the provisions of the statutes or of the certificate of incorporation or of these bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

4.3 **Electronic Notice**.

(a) *Electronic Transmission*. Without limiting the manner by which notice otherwise may be given effectively to stockholders and directors, any notice to stockholders or directors given by the corporation under any provision of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder or director to whom the notice is given. Any such consent shall be revocable by the stockholder or director by written notice to the corporation. Any such consent shall be deemed revoked if (1) the corporation is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with such consent and (2) such inability becomes known to the secretary or an assistant secretary of the corporation or to the transfer agent, or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

(b) *Effective Date of Notice*. Notice given pursuant to subsection (a) of this section shall be deemed given: (1) if by facsimile telecommunication, when directed to a number at which the stockholder or director has consented to receive notice; (2) if by electronic mail, when directed to an electronic mail address at which the stockholder or director has consented

to receive notice; (3) if by a posting on an electronic network together with separate notice to the stockholder or director of such specific posting, upon the later of (i) such posting and (ii) the giving of such separate notice; and (4) if by any other form of electronic transmission, when directed to the stockholder or director. An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

(c) *Form of Electronic Transmission*. For purposes of these bylaws, "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

ARTICLE V
OFFICERS

5.1 **Required and Permitted Officers**. The officers of the corporation shall be chosen by the Board of Directors and shall be a Chief Executive Officer and/or a president, a treasurer and a secretary. The Board of Directors may elect from among its members a Chairman of the Board and a Vice-Chairman of the Board. The Board of Directors may also choose one or more vice-presidents, assistant secretaries and assistant treasurers. Any number of offices may be held by the same person, unless the certificate of incorporation or these bylaws otherwise provide.

5.2 **Appointment of Required Officers**. The Board of Directors at its first meeting after each annual meeting of stockholders shall choose a Chief Executive Officer and/or a president, a treasurer, and a secretary and may choose vice-presidents.

5.3 **Appointment of Permitted Officers**. The Board of Directors may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

5.4 **Officer Compensation**. The salaries of all officers and agents of the corporation shall be fixed by the Board of Directors.

5.5 **Term of Office; Vacancies**. The officers of the corporation shall hold office until their successors are chosen and qualify. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors. Any vacancy occurring in any office of the corporation shall be filled by the Board of Directors.

THE CHAIRMAN OF THE BOARD

5.6 **Chairman Presides**. Unless the Board of Directors appoints a Chairman of the Board, the Chief Executive Officer shall be the Chairman of the Board, so long as the Chief Executive Officer is a director of the corporation. The Chairman of the Board shall preside at all meetings of the Board of Directors and of the stockholders at which he or she shall be present. He or she shall have and may exercise such powers as are, from time to time, assigned to him or her by the Board of Directors and as may be provided by law.

5.7 **Absence of Chairman**. In the absence of the Chairman of the Board, the Vice-Chairman of the Board, if any, shall preside at all meetings of the Board of Directors and of the stockholders at which he or she shall be present. He or she shall have and may exercise such powers as are, from time to time, assigned to him or her by the Board of Directors and as may be provided by law.

THE CHIEF EXECUTIVE OFFICER

5.8 **Powers of Chief Executive Officer**. The Chief Executive Officer shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect.

5.9 **Chief Executive Officer's Signature Authority**. The Chief Executive Officer shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the corporation. The Chief Executive Officer may sign certificates for shares of stock of the corporation.

5.10 **Absence of Chief Executive Officer**. In the absence of the Chief Executive Officer or in the event of his or her inability or refusal to act, the president shall perform the duties of the Chief Executive Officer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer.

THE PRESIDENT AND VICE-PRESIDENTS

5.11 **Powers of President**. Unless the Board of Directors appoints a president of the corporation, the Chief Executive Officer shall be the president of the corporation. The president of the corporation shall have such powers as required by law and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

5.12 **Absence of President**. In the absence of the president or in the event of his or her inability or refusal to act, the vice-president, if any, (or in the event there be more than one vice-president, the vice-presidents in the order designated by the directors, or in the absence of any designation, then in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The vice-presidents shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

THE SECRETARY AND ASSISTANT SECRETARY

5.13 **Duties of Secretary**. The secretary shall attend all meetings of the Board of Directors and all meetings of the stockholders and record all the proceedings of the meetings of the corporation and of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He or she shall give, or cause to be given,

notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the Chief Executive Officer, under whose supervision he or she shall be. He or she shall have custody of the corporate seal of the corporation and he or she, or an assistant secretary, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by his or her signature or by the signature of such assistant secretary. The Board of Directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his or her signature.

5.14 **Duties of Assistant Secretary**. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the secretary or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

THE TREASURER AND ASSISTANT TREASURERS

5.15 **Duties of Treasurer**. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors.

5.16 **Disbursements and Financial Reports**. He or she shall disburse the funds of the corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Chief Executive Officer and the Board of Directors, at its regular meetings or when the Board of Directors so requires, an account of all his or her transactions as treasurer and of the financial condition of the corporation.

5.17 **Treasurer's Bond**. If required by the Board of Directors, the treasurer shall give the corporation a bond (which shall be renewed every six years) in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office and for the restoration to the corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the corporation.

5.18 **Duties of Assistant Treasurer**. The assistant treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the treasurer or in the event of the treasurer's inability or refusal to act, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

ARTICLE VI
CERTIFICATE OF STOCK

6.1 **Stock Certificates**. Every holder of stock in the corporation shall be entitled to have a certificate, signed by or in the name of the corporation by any two authorized officers of the corporation, certifying the number of shares owned by him or her in the corporation.

Certificates may be issued for partly paid shares and in such case upon the face or back of the certificates issued to represent any such partly paid shares, the total amount of the consideration to be paid therefor, and the amount paid thereon shall be specified.

If the corporation shall be authorized to issue more than one class of stock or more than one series of any class, the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualification, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate which the corporation shall issue to represent such class or series of stock, provided that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate which the corporation shall issue to represent such class or series of stock, a statement that the corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

6.2 **Facsimile Signatures**. Any or all of the signatures on the certificate may be facsimile. In the event that any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, the certificate may be issued by the corporation with the same effect as if such officer, transfer agent or registrar were still acting as such at the date of issue.

6.3 **Lost Certificates**. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen or destroyed upon the making of an affidavit of that fact by the person claiming the certificate to be lost, stolen or destroyed. When authorizing such issuance of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance, require the owner of such lost, stolen or destroyed certificate or certificates, or his or her legal representative, to advertise the same in such manner as it shall require and/or to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

6.4 **Transfer of Stock**. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

6.5 **Fixing a Record Date**. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

6.6 **Registered Stockholders**. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, to vote as such owner, to hold liable for calls and assessments a person registered on its books as the owner of shares and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VII
GENERAL PROVISIONS

7.1 **Dividends**. Dividends upon the capital stock of the corporation, if any, subject to the provisions of the certificate of incorporation, may be declared by the Board of Directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property or in shares of the capital stock, subject to the provisions of the certificate of incorporation.

7.2 **Reserve for Dividends**. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time, in their sole discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purposes as the directors think conducive to the interests of the corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

7.3 **Checks**. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

7.4 **Fiscal Year**. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

7.5 **Corporate Seal**. The Board of Directors may adopt a corporate seal having inscribed thereon the name of the corporation, the year of its organization and the words “Corporate Seal, Delaware.” The seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced.

7.6 **Indemnification**. The corporation shall, to the fullest extent authorized under the laws of the State of Delaware, as those laws may be amended and supplemented from time to time, indemnify any director made, or threatened to be made, a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of being a director of the corporation or a predecessor corporation or a director or officer of another corporation, if such person served in such position at the request of the corporation; provided, however, that the corporation shall indemnify any such director or officer in connection with a proceeding initiated by such director or officer only if such proceeding was authorized by the Board of Directors of the corporation. The indemnification provided for in this Section 7.6 shall: (i) not be deemed exclusive of any other rights to which those indemnified may be entitled under these bylaws, agreement or vote of stockholders or disinterested directors or otherwise, both as to action in their official capacities and as to action in another capacity while holding such office, (ii) continue as to a person who has ceased to be a director, and (iii) inure to the benefit of the heirs, executors and administrators of a person who has ceased to be a director. The corporation's obligation to provide indemnification under this Section 7.6 shall be offset to the extent of any other source of indemnification or any otherwise applicable insurance coverage under a policy maintained by the corporation or any other person.

Expenses incurred by a director of the corporation in defending a civil or criminal action, suit or proceeding by reason of the fact that he or she is or was a director of the corporation (or was serving at the corporation's request as a director or officer of another corporation) shall be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the corporation as authorized by relevant sections of the DGCL. Notwithstanding the foregoing, the corporation shall not be required to advance such expenses to an agent who is a party to an action, suit or proceeding brought by the corporation and approved by a majority of the Board of Directors of the corporation that alleges willful misappropriation of corporate assets by such agent, disclosure of confidential information in violation of such agent's fiduciary or contractual obligations to the corporation or any other willful and deliberate breach in bad faith of such agent's duty to the corporation or its stockholders.

The foregoing provisions of this Section 7.6 shall be deemed to be a contract between the corporation and each director who serves in such capacity at any time while this bylaw is in effect, and any repeal or modification thereof shall not affect any rights or obligations then existing with respect to any state of facts then or theretofore existing or any action, suit or proceeding theretofore or thereafter brought based in whole or in part upon any such state of facts.

The Board of Directors in its sole discretion shall have power on behalf of the corporation to indemnify any person, other than a director, made a party to any action, suit or proceeding by reason of the fact that he or she, his or her testator or intestate, is or was an officer or employee of the corporation.

To assure indemnification under this Section 7.6 of all directors, officers and employees who are determined by the corporation or otherwise to be or to have been "fiduciaries" of any employee benefit plan of the corporation that may exist from time to time, Section 145 of the DGCL shall, for the purposes of this Section 7.6, be interpreted as follows: an "other

enterprise" shall be deemed to include such an employee benefit plan, including without limitation, any plan of the corporation that is governed by the Act of Congress entitled "Employee Retirement Income Security Act of 1974," as amended from time to time; the corporation shall be deemed to have requested a person to serve the corporation for purposes of Section 145 of the DGCL, as administrator of an employee benefit plan where the performance by such person of his or her duties to the corporation also imposes duties on, or otherwise involves services by, such person to the plan or participants or beneficiaries of the plan; excise taxes assessed on a person with respect to an employee benefit plan pursuant to such Act of Congress shall be deemed "fines."

7.7 **Conflicts with Certificate of Incorporation**. In the event of any conflict between the provisions of the corporation's certificate of incorporation and these bylaws, the provisions of the certificate of incorporation shall govern.

ARTICLE VIII
AMENDMENTS

8.1 These bylaws may be altered, amended or repealed, or new bylaws may be adopted by the stockholders or by the Board of Directors, when such power is conferred upon the Board of Directors by the certificate of incorporation at any regular meeting of the stockholders or of the Board of Directors or at any special meeting of the stockholders or of the Board of Directors if notice of such alteration, amendment, repeal or adoption of new bylaws be contained in the notice of such special meeting. If the power to adopt, amend or repeal bylaws is conferred upon the Board of Directors by the certificate of incorporation, it shall not divest or limit the power of the stockholders to adopt, amend or repeal bylaws.

ARTICLE IX
RIGHT OF FIRST REFUSAL

9.2 No stockholder shall sell, assign, pledge, or in any manner transfer any of the shares of Common Stock not issued upon the conversion of Preferred Stock of the corporation or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise, except by a transfer which meets the requirements hereinafter set forth in this Article IX and Article XI. In the event the corporation shall enter into an agreement with a stockholder of the corporation regarding transfer restrictions or rights of first refusal and such agreement expressly states that the provisions of such agreement shall control in the event of a conflict between such provisions and these Bylaws, and such agreement has been approved by the Board of Directors or a duly constituted committee thereof, the provisions of such agreement shall control with respect to such conflict.

(a) *Notice of Proposed Transfer*. If the stockholder desires to sell or otherwise transfer any of his or her shares of Common Stock, then the stockholder shall first give written notice thereof to the corporation. The notice shall name the proposed transferee and state the number of shares to be transferred, the proposed consideration and all other terms and conditions of the proposed transfer.

(b) *Corporate Option to Purchase*. For fifteen (15) days following receipt of such notice, the corporation shall have the option to purchase all or any part of the shares

specified in the notice at the price and upon the terms set forth in such notice. In the event the corporation elects to purchase all the shares, it shall give written notice to the selling stockholder of its election and settlement for said shares shall be made as provided below in paragraph (c).

(c) *Closing of Corporate Purchase*. In the event the corporation elects to acquire any of the shares of the selling stockholder as specified in said selling stockholder's notice, the corporation shall so notify the selling stockholder and settlement thereof shall be made in cash within thirty (30) days after the corporation receives said selling stockholder's notice; provided that if the terms of payment set forth in said selling stockholder's notice were other than cash against delivery, the corporation shall pay for said shares on the same terms and conditions set forth in said selling stockholder's notice.

(d) *Sale by Selling Stockholder*. In the event the corporation does not elect to acquire all of the shares specified in the selling stockholder's notice, said selling stockholder may, within the sixty (60) day period following the expiration of the option rights granted to the corporation herein, sell elsewhere the shares specified in said selling stockholder's notice which were not acquired by the corporation, in accordance with the provisions of paragraph (c) of this Section 9.1, provided that said sale shall not be on terms and conditions more favorable to the purchaser than those contained in said selling stockholder's notice. All shares so sold by said selling stockholder shall continue to be subject to the provisions of this bylaw in the same manner as before said transfer.

(e) *Permitted Transactions*. Anything to the contrary contained herein notwithstanding, the following transactions shall be exempt from the provisions of this bylaw:

(1) A stockholder's transfer of any or all shares held either during such stockholder's lifetime or on death by will or intestacy to such stockholder's immediate family or to any custodian or trustee for the account of such stockholder or such stockholder's immediate family. "Immediate family" as used herein shall mean spouse, lineal descendant, father, mother, brother, or sister of the stockholder making such transfer;

(2) A stockholder's bona fide pledge or mortgage of any shares with a commercial lending institution, provided that any subsequent transfer of said shares by said institution shall be conducted in the manner set forth in this bylaw;

(3) A stockholder's transfer of any or all of such stockholder's shares to the corporation;

(4) A stockholder's transfer of any or all of such stockholder's shares to a person who at the time of such transfer is an officer or director of the corporation;

(5) A corporate stockholder's transfer of any or all of its shares pursuant to and in accordance with the terms of any merger, consolidation, reclassification of shares or capital reorganization of the corporate stockholder or pursuant to a sale of all or substantially all of the stock or assets of a corporate stockholder;

(6) A corporate stockholder's transfer of any or all of its shares to any or all of its stockholders; or

(7) A transfer by a stockholder which is a limited or general partnership or a limited liability company to any or all of its partners or former partners or its members or former members.

In any such case, the transferee, assignee or other recipient shall receive and hold such stock subject to the provisions of this bylaw, and there shall be no further transfer of such stock except in accord with this bylaw.

(f) *Waiver of Right of First Refusal*. The provisions of this bylaw may be waived with respect to any transfer either by the corporation upon duly authorized action of the Board of Directors. This bylaw may be amended or repealed either by a duly authorized action of the Board of Directors or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the corporation.

(g) *Void Transfers*. Any sale or transfer, or purported sale or transfer, of securities of the corporation shall be null and void unless the terms, conditions and provisions of this bylaw are strictly observed and followed.

(h) *Termination of Right of First Refusal*. The foregoing right of first refusal shall terminate upon the date of consummation of the corporation's first firm commitment underwritten public offering of its common stock registered under the Securities Act of 1933, as amended.

(i) *Legends*. The certificates representing shares of stock of the corporation shall bear on their face the following legend so long as the foregoing right of first refusal remains in effect:

"THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF FIRST REFUSAL OPTION IN FAVOR OF THE CORPORATION AND/OR ITS ASSIGNEE(S), AS PROVIDED IN THE BYLAWS OF THE CORPORATION."

ARTICLE X
LOANS TO OFFICERS

10.1 The corporation may lend money to, or guarantee any obligation of or otherwise assist any officer or other employee of the corporation or of its subsidiaries, including any officer or employee who is a director of the corporation or its subsidiaries, whenever, in the judgment of the Board of Directors, such loan, guarantee or assistance may reasonably be expected to benefit the corporation. The loan, guarantee or other assistance may be with or without interest and may be unsecured or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in these bylaws shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

ARTICLE XI
STOCK TRANSFERS

11.1 **Stock Transfer Agreements**. The corporation shall have the power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by DGCL.

11.2 **Restrictions on Transfer**.

(a) *Restrictions on Transfer*. No stockholder of the corporation (a "Stockholder") may sell, assign, transfer, pledge, encumber, grant an economic or participation interest in, contractually transfer the economic benefits of, or in any manner dispose of ("Transfer") any share of Common Stock not issued upon the conversion of Preferred Stock of the corporation (a "Share"), whether voluntarily or by operation of law, or by gift or otherwise, other than by means of a Permitted Transfer (as defined below). If any provision(s) of any agreement(s) currently in effect by and between the corporation and any Stockholder (the "Stockholder Agreement(s)") conflicts with this Section 11.2 of the Bylaws, this Section 11.2 shall govern, and the remaining provision(s) of the Stockholder Agreement(s) that do not conflict with this Section 11.2 shall continue in full force and effect.

(b) *Permitted Transfers*. For purposes of this Section 11.2, a "Permitted Transfer" shall mean any of the following:

(i) any Transfer by a Stockholder of any or all of such Stockholder's Shares to the corporation;

(ii) any Transfer by a Stockholder of any or all of such Stockholder's Shares to such Stockholder's Immediate Family (as defined below) or a trust or other entity for the benefit of such Stockholder or such Stockholder's Immediate Family;

(iii) any Transfer by a Stockholder of any or all of such Stockholder's Shares effected pursuant to such Stockholder's beneficiary designation, will or the laws of intestate succession;

(iv) if a Stockholder is a partnership, limited liability company, or corporation, any Transfer by such Stockholder of any or all of such Stockholder's Shares to the partners, members, retired partners, retired members, stockholders, and/or Affiliates (as defined below) of such Stockholder; provided that no Stockholder may Transfer any of such Stockholder's Shares to a Special Purpose Entity (as defined below) pursuant to this subsection (iv);

(v) and/or

(vi) any Transfer of Shares approved by the Board of Directors.

Notwithstanding the foregoing, if a Permitted Transfer is approved pursuant to subsection (v) of this Section 11.2(b) and the Shares of the transferring party are subject to rights of first refusal and/or co-sale rights pursuant to a Stockholder Agreement (the "First Refusal and Co-Sale

Rights"), the persons and/or entities entitled to the First Refusal and Co-Sale Rights shall be permitted to exercise their respective First Refusal and Co-Sale Rights in conjunction with that specific Permitted Transfer without any additional approval of the Board of Directors.

(c) *Certain Definitions*. For purposes of this Section 11.2:

(i) "Affiliate" shall mean any person or entity who or which, directly or indirectly, controls, is controlled by, or is under common control with the relevant Stockholder, including, without limitation, any general partner, managing partner, limited partner, manager, managing member, officer or director of such Stockholder or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, shares the same management or advisory company with, or is otherwise affiliated with, such Stockholder.

(ii) "Immediate Family" shall mean any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, including adoptive relationships, or any Spousal Equivalent.

(iii) "Liquidation Event" shall mean any transaction defined as a "Liquidation Event" or "Deemed Liquidation Event" in the certificate of incorporation or, if such term is not defined in the certificate of incorporation, shall mean (A) the closing of the sale, transfer or other disposition of all or substantially all of the corporation's assets, (B) the consummation of the merger or consolidation of the corporation with or into another entity (except a merger or consolidation in which the holders of capital stock of the corporation immediately prior to such merger or consolidation continue to hold at least 50% of the voting power of the capital stock of the corporation or the surviving or acquiring entity in substantially identical proportions and with substantially identical rights, preferences, privileges and restrictions as existed immediately prior to such transaction), (C) the closing of the transfer (whether by merger, consolidation or otherwise), in one transaction or a series of related transactions, to a person or group of affiliated persons (other than an underwriter of the corporation's securities), of the corporation's securities if, after such closing, such person or group of affiliated persons would hold 50% or more of the outstanding voting stock of the corporation (or the surviving or acquiring entity) or (D) a liquidation, dissolution or winding up of the corporation; provided, however, that a transaction shall not constitute a Liquidation Event if its sole purpose is to change the state of the corporation's incorporation or to create a holding company that will be owned in substantially the same proportions by the persons who held the corporation's securities immediately prior to such transaction.

(iv) "Special Purpose Entity" shall mean an entity that holds or would hold only Shares or has or would have a class or series of security holders with beneficial interests primarily in Shares (including for such purpose an entity that holds cash and/or cash equivalents intended to purchase Shares).

(v) "Spousal Equivalent" shall mean an individual who: (A) is in an exclusive, continuous, committed relationship with the relevant Stockholder, has been in that relationship for the twelve (12) months prior to the relevant date and intends to be in that

relationship indefinitely; (B) has no such relationship with any other person and is not married to any other person; (C) shares a principal residence with the relevant Stockholder; (D) is at least 18 years of age and legally and mentally competent to consent to contract; (E) is not related by blood to the relevant stockholder to a degree of kinship that would prevent marriage from being recognized under the law of the state in which the individual and the relevant Stockholder reside; and (F) is jointly responsible with the relevant Stockholder for each other's common welfare and financial obligations.

(d) *Void Transfers*. Any Transfer of Shares shall be null and void unless the terms, conditions and provisions of this Section 11.2 are strictly observed and followed.

(e) *Termination of Restriction on Transfer*. The foregoing restriction on Transfer shall lapse upon the earlier of (i) immediately prior to the consummation of a Liquidation Event, or (ii) immediately prior to the corporation's first firm commitment underwritten public offering of its securities pursuant to a registration statement under the Securities Act of 1933, as amended.

(f) *Legends*. The certificates representing Shares shall bear on their face the following legend so long as the foregoing restriction on Transfer remains in effect:

"THE SHARES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR IN ANY MANNER DISPOSED OF, EXCEPT IN COMPLIANCE WITH THE BYLAWS OF THE CORPORATION. COPIES OF THE BYLAWS OF THE CORPORATION MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE CORPORATION."

AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

THIS AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this "**Agreement**"), is made as of July 30, 2021, by and among PepGen Inc., a Delaware corporation (the "**Company**"), each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an "**Investor**", and each of the stockholders listed on Schedule B hereto, each of whom is referred to herein as a "**Key Holder**".

RECITALS

WHEREAS, certain of the Investors (the "**Existing Investors**") hold shares of Series A-1 Preferred Stock of the Company, par value $0.0001 per share ("**Series A-1 Preferred Stock**"), shares of Series A-2 Preferred Stock of the Company, par value $0.0001 per share ("**Series A-2 Preferred Stock**") and/or shares of Common Stock issued upon conversion thereof and possess registration rights, information rights, rights of first offer, and other rights pursuant to that certain Investors' Rights Agreement, dated as of November 24, 2020, by and among the Company, the Existing Investors and certain Key Holders (the "**Prior Agreement**");

WHEREAS, the undersigned Key Holders and Existing Investors desire to amend and restate the Prior Agreement in its entirety and to accept the rights and obligations created pursuant to this Agreement in lieu of the rights granted to them and/or obligations imposed on them under the Prior Agreement; and

WHEREAS, certain of the Investors are parties to that certain Series B Preferred Stock Purchase Agreement of even date herewith by and among the Company and such Investors (the "**Purchase Agreement**"), under which certain of the Company's and such Investors' obligations are conditioned upon the execution and delivery of this Agreement by (i) such Investors, (ii) Key Holders under the Prior Agreement who hold at least a majority of the Common Stock and Preferred Stock (calculated on an as-converted to Common Stock basis) and are providing services to the Company as officers, employees or consultants as of the date hereof, (iii) Existing Investors holding at least eighty percent (80%) of the Registrable Securities and (iv) the Company.

NOW, THEREFORE, the Company and the undersigned Key Holders and Existing Investors (including RA Capital, OSI, the University and the Founders (each as defined below) with respect to Section 3.3 under the Prior Agreement) hereby agree that the Prior Agreement is hereby amended and restated in its entirety by this Agreement, and the parties to this Agreement further agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or other investment fund now or hereafter existing that is controlled by one (1) or more general partners, managing members or investment adviser of, or shares the same management company or investment adviser with, such Person.

1.2 "**Averill**" means Averill Master Fund, Ltd.

1.3 "**Board of Directors**" means the board of directors of the Company.

1.4 "**Common Stock**" means shares of the Company's Class A Common Stock, par value $0.0001 per share.

1.5 "**Competitor**" means a Person engaged, directly or indirectly (including through any partnership, limited liability company, corporation, joint venture or similar arrangement (whether now existing or formed hereafter)), in peptide-mediated drug and therapeutic delivery technologies or the treatment of neuro-muscular disorders generally, but shall not include any financial investment firm or collective investment vehicle that, together with its Affiliates, holds less than twenty percent (20%) of the outstanding equity of any Competitor and does not, nor do any of its Affiliates, have a right to designate any members of the board of directors of any Competitor. Notwithstanding anything herein to the contrary, none of RA Capital, OSI, the University, Deerfield or Averill shall be a "Competitor."

1.6 "**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.7 "**Deerfield**" means Deerfield Partners, L.P. together with Deerfield Private Design Fund V, L.P.

1.8 "**Derivative Securities**" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

1.9 "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.10 "**Excluded Registration**" means (i) a registration relating to the sale or grant of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, equity incentive or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.11 "**Form S-1**" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.12 "**Form S-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits forward incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.13 "**Founders**" means Matthew Wood, Caroline Godfrey, Giles Campion and Michael Gait.

1.14 "**GAAP**" means generally accepted accounting principles in the United States as in effect from time to time.

1.15 "**Holder**" means any holder of Registrable Securities who is a party to this Agreement.

1.16 "**Immediate Family Member**" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, life partner or similar statutorily-recognized domestic partner, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships of a natural person referred to herein.

1.17 "**Initiating Holders**" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.18 "**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

1.19 "**Key Employee**" means any executive-level employee (including division director and vice president-level positions) as well as any employee who, either alone or in concert with others, develops, invents, programs, or designs any Company Intellectual Property (as defined in the Purchase Agreement).

1.20 "**Major Investor**" means (i) any Investor that, individually or together with such Investor's Affiliates, holds at least 250,000 shares of Registrable Securities (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Preferred Stock effected after the date hereof) and (ii) the University, as long as the University owns not less than twenty-five percent (25%) of the shares of Preferred Stock held by the University on the date hereof (or an equivalent amount of Common Stock issued upon conversion thereof).

1.21 "**New Securities**" means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase or acquire such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

1.22 "**OSI**" means Oxford Sciences Innovation PLC, a company incorporated in England and Wales with company number 09093331 whose registered office address is at 46 Woodstock Road, Oxford OX2 6HT United Kingdom.

1.23 "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.24 **"Preferred Director**" means any director of the Company that the holders of record of a class, classes or series of Preferred Stock are entitled to elect, exclusively and as a separate class, pursuant to the Restated Certificate.

1.25 "**Preferred Stock**" means, collectively, shares of the Company's Series A-1 Preferred Stock, Series A-2 Preferred Stock and Series B Preferred Stock.

1.26 "**RA Capital**" means, collectively with their respective Affiliates, RA Capital Healthcare Fund, L.P., Blackwell Partners LLC—Series A, and RA Capital Nexus Fund II, L.P.

1.27 "**Registrable Securities**" means (i) the Common Stock issuable or issued upon conversion of the Preferred Stock; (ii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, acquired by the Investors after the date hereof; and (iii) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i) and (ii) above; excluding in all cases (other than for purpose of Section 2.12), (x) any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 6.1, and (y) excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Section 2.13 of this Agreement.

1.28 "**Registrable Securities then outstanding**" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.29 "**Requisite Preferred Directors**" means a majority of the Preferred Directors, provided that if there are only two Preferred Directors then serving on the Board of Directors, then two out of the following three members of the Board of Directors: (i) the two of the Preferred Directors and (ii) the Independent Chair (as defined in the Voting Agreement, dated on or around the date hereof, as amended, by and among the Company and certain other stockholders of the Company (the "**Voting Agreement**"); provided that at any time Ramin Farzaneh-Far is serving as the Independent Chair or there is no Independent Chair then serving on the Board of Directors, then clause (ii) shall be the Second Independent (as defined in the Voting Agreement) in lieu of the Independent Chair.

1.30 "**Restated Certificate**" means the Company's Second Amended and Restated Certificate of Incorporation, as amended and/or restated from time to time.

1.31 "**Restricted Securities**" means the securities of the Company required to be notated with the legend set forth in Section 2.12(b) hereof.

1.32 "**Rights Holder**" means each Major Investor and each Key Holder.

1.33 "**SEC**" means the Securities and Exchange Commission.

1.34 "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

1.35 "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

1.36 "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.37 "**Selling Expenses**" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Section 2.6.

1.38 "**Series B Preferred Stock**" means shares of the Company's Series B Preferred Stock, par value $0.0001 per share.

1.39 "**University**" means The Chancellor, Masters and Scholars of the University of Oxford.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) four (4) years after the date of this Agreement or (ii) one hundred eighty (180) days after the effective date of the registration statement for the IPO, the Company receives a request from Holders of a majority of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement with respect to at least forty percent (40%) of the Registrable Securities then outstanding (or a lesser percent if the anticipated aggregate offering price, net of Selling Expenses, would exceed $15 million), then the Company shall: (x) within ten (10) days after the date such request is given, give notice thereof (the "**Demand Notice**") to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Sections 2.1(c) and 2.3.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least thirty percent (30%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $5 million, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Sections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Section 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than ninety (90) days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other stockholder during such ninety (90) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(a), (i) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two (2) registrations pursuant to Section 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(b), (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two (2) registrations pursuant to Section 2.1(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Section 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC,

unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Section 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Section 2.1(d); provided, that if such withdrawal is during a period the Company has deferred taking action pursuant to Section 2.1(c), then the Initiating Holders may withdraw their request for registration and such registration will not be counted as "effected" for purposes of this Section 2.1(d).

2.2 Company Registration. If the Company proposes to register (including for this purpose a registration effected by the Company for stockholders other than the Holders) any of its securities under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration, a registration relating to a demand pursuant to Section 2.1 or the IPO), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Section 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Section 2.6.

2.3 Underwriting Requirements.

(a) If, pursuant to Section 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Board of Directors and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Section 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting; provided, however, that no Holder (or any of their assignees) shall be required to make any representations, warranties or indemnities, or provide any information or documentation, except as such representations, warranties, indemnitees, information or documentation relate to such Holder's ownership of shares and authority to enter into the underwriting agreement and to such Holder's intended method of distribution, and the liability of such Holder shall be several and not joint, and limited to an amount equal to the net proceeds from the offering received by such Holder. Notwithstanding any other provision of this Section 2.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities

owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders seeking to sell Registrable Securities in such offering accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below twenty percent (20%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Section 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Section 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 2.3(a), fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such one hundred twenty (120) day period shall be extended for up to ninety (90) days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities; provided, however, that the failure of any Holder to provide such information shall not result in any liability or consequence for such Holder other than the inability to participate in the applicable registration.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements, not to exceed $50,000, of one counsel for the selling Holders selected by Holders of a majority of the Registrable Securities to be registered ("**Selling Holder Counsel**"), shall be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Sections 2.1(a) or 2.1(b), as the case may be; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the

Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Sections 2.1(a) or 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 (other than fees and disbursements of counsel to any Holder, other than the Selling Holder Counsel, which shall be borne solely by the Holder engaging such counsel) shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration except to the extent such information has been corrected in a subsequent writing prior to or concurrently with the sale of Registrable Securities to the Person asserting the claim.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration and has not been corrected in a subsequent writing prior to or concurrently with the sale of Registrable Securities to the Person asserting the claim; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained

in this Section 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Section 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, only to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation

(within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control; provided, however, that any matter expressly provided for or addressed by the foregoing provisions that is not expressly provided for or addressed by the underwriting agreement shall be controlled by the foregoing provisions.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement or any provision(s) of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company; and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of at least a majority of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would (i) provide to such holder or prospective holder the right to include securities in any registration on other than either a pro rata basis with respect to the Registrable Securities or on a subordinate basis after all Holders have had the opportunity to include in the registration and offering all shares of Registrable Securities that they wish to so include; or (ii) allow such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder; provided that this limitation shall not apply to Registrable Securities acquired by any additional Investor that becomes a party to this Agreement in accordance with Section 6.9.

2.11 "Market Stand-off" Agreement. Each Holder hereby agrees that, upon the request of the managing underwriter for the IPO, it will not, without the prior written consent of such managing underwriter, during the period commencing on the date of the final prospectus relating to the IPO, and ending on the date specified by the Company and such managing underwriter (such period not to exceed one hundred eighty (180) days, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in applicable FINRA rules, or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Section 2.11 shall apply only to the IPO, shall not apply to (a) the sale of any shares of Common Stock (x) purchased by the Holder in connection with the IPO, whether or not pursuant to an underwriting agreement, a private placement that is concurrent with the IPO, or otherwise, or (y) acquired in the open market at any time after the IPO; (b) the sale of any shares to an underwriter pursuant to an underwriting agreement; or (c) the transfer of any shares to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value, and shall be applicable to the Holders only if all officers and directors are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all stockholders individually owning more than one percent (1%) of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock). The underwriters in connection with such registration are intended third-party beneficiaries of this Section 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 2.11. Any discretionary waiver or termination of the restrictions of any or all of such agreements and similar agreements by the Company or the underwriters shall apply pro rata to all Company stockholders that are subject to such agreements, based on the number of shares subject to such agreements and similar agreements.

2.12 Restrictions on Transfer.

(a) The Preferred Stock and the Registrable Securities, shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement. Notwithstanding the foregoing, the Company shall not require any transferee of shares pursuant to an effective registration statement or, following the IPO, SEC Rule 144, in each case, to be bound by the terms of this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Preferred Stock, (ii) the Registrable Securities, and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Section 2.12(c)) be notated with a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 2.12.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction or following the IPO, the transfer is made pursuant to SEC Rule 144, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer, provided that no such notice shall be required if the intended sale, pledge or transfer complies with SEC Rule 144. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall,

be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a notice, legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144; or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; provided that with respect to transfers under the foregoing clause (y), each transferee agrees in writing to be subject to the terms of this Section 2.12. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Section 2.12(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act. Upon the request of any Holder, the Company shall remove the Securities Act portion of the legend set forth above from the certificate or certificates for such Restricted Securities; provided, that such Restricted Securities are eligible (as reasonably determined by the Company) for sale pursuant to Rule 144 (or any similar rule or rules then in effect) under the Securities Act.

2.13 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Sections 2.1 or 2.2 shall terminate upon the earliest to occur of:

(a) the closing of a Deemed Liquidation Event, as such term is defined in the Restated Certificate, in which the consideration received by the Investors in such Deemed Liquidation Event is in the form of cash and/or publicly traded securities, or if the Investors receive registration rights from the acquiring company or other successor to the Company reasonably comparable to those set forth in this Section 2;

(b) with respect to a Holder that then holds less than one percent (1%) of the Company's outstanding shares of capital stock, such time after consummation of the IPO as a SEC Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation, during a three (3)-month period without registration; or

(c) the third (3rd) anniversary of the IPO (or such later date that is one hundred eighty (180) days following the expiration of all deferrals of the Company's obligations pursuant to Section 2 that remain in effect as of the third (3rd) anniversary of the consummation of the IPO).

3. Information and Observer Rights.

3.1 Delivery of Financial Statements. The Company shall deliver to (i) each Major Investor and (ii) the Founder Observer, provided that the Board of Directors has not reasonably determined that such Major Investor or Founder Observer is a Competitor of the Company:

(a) as soon as practicable, but in any event within one hundred twenty (120) days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year and as included in the Budget (as defined in Section 3.1(e)) for such year, with an explanation of any material differences between such amounts and a schedule as to the sources and applications of funds for such year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants of regionally recognized standing selected by the Board of Directors;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each quarter of each fiscal year of the Company, unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP) , and an instrument executed by the chief financial officer and chief executive officer of the Company certifying that such financial statements were prepared in accordance with GAAP consistently applied with prior practice for earlier periods (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP) and fairly present the financial condition of the company and its results of operation for the periods specified therein;

(c) as soon as practicable, but in any event within forty-five (45) days after the end of the first three (3) quarter of each fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Investors to calculate their respective percentage equity ownership in the Company;

(d) as soon as practicable, but in any event within thirty (30) days after the end of each month, an unaudited income statement and statement of cash flow for such month, and an unaudited balance sheet as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(e) as soon as practicable, but in any event thirty (30) days before the end of each fiscal year, a budget and business plan for the next fiscal year, prepared on a monthly basis,

including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company (such budget and business plan that is approved by the Board of Directors, is collectively referred to herein as the "**Budget**"); and

(f) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Major Investor or the Founder Observer may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 3.1 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form reasonably acceptable to the Company, including Section 3.5 hereof); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Section 3.1 to the contrary, the Company may cease providing the information set forth in this Section 3.1 during the period starting with the date sixty (60) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company's covenants under this Section 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. The Company shall permit each Major Investor and the Founder Observer (provided that the Board of Directors has not reasonably determined that such Major Investor or Founder Observer is a Competitor of the Company), at such Major Investor's expense or at the expense of the Founders, as applicable, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor or Founder Observer; provided, however, that the Company shall not be obligated pursuant to this Section 3.2 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form reasonably acceptable to the Company, including Section 3.5 hereof) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Observer Rights.

(a) As long as RA Capital owns not less than twenty-five percent (25%) of the shares of Preferred Stock it owns on the date hereof (or an equivalent amount of Common Stock issued upon conversion thereof), the Company shall invite a representative of RA Capital to attend all meetings of the Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it

provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence all information so provided; and provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if (1) access to such information or attendance at such meeting could, upon consultation with counsel, adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest or (2) such representative is a Competitor of the Company, provided that, for purposes of clause (2), a representative shall not be deemed to be a Competitor solely because such representative is either a member or observer of the board of directors of a company that is a Competitor.

(b) As long as OSI owns not less than twenty-five percent (25%) of the shares of Preferred Stock it owns on the date hereof (or an equivalent amount of Common Stock issued upon conversion thereof), the Company shall invite a representative of OSI to attend all meetings of the Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence all information so provided; and provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if (1) access to such information or attendance at such meeting could, upon consultation with counsel, adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or (2) if such representative is a Competitor of the Company, provided that, for purposes of clause (2), a representative shall not be deemed to be a Competitor solely because such representative is either a member or observer of the board of directors of a company that is a Competitor.

(c) As long as the Founders collectively own not less than twenty-five percent (25%) of the shares of capital stock of the Company held by the Founders on the date hereof, the Company shall invite a representative of the Founders (the "**Founder Observer**") to attend all meetings of the Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence all information so provided (with the exception that the Founder Observer shall be permitted to discuss such information in a summary fashion with the Founders); and provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or if such Founders or its representative is a Competitor of the Company.

3.4 Termination of Information and Observer Rights. The covenants set forth in Section 3.1, Section 3.2, and Section 3.3 shall terminate and be of no further force or effect (i) immediately before the consummation of a Qualified IPO (as defined in the Restated Certificate), (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon the closing of a Deemed Liquidation

Event, as such term is defined in the Restated Certificate, whichever event occurs first; provided, that, with respect to clause (iii), the covenants set forth in this Section 3.1 shall only terminate if the consideration received by the Investors in such Deemed Liquidation Event is in the form of cash and/or publicly traded securities or if the Investors receive financial information from the acquiring company or other successor to the Company comparable to those set forth in Section 3.1.

3.5 Confidentiality. Each Investor, Founder and Key Holder agrees that such Investor, Founder and Key Holder will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor, manage or make decisions with respect to its investment in the Company and/or in connection with evaluating investment opportunities in the ordinary course of business) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.5 by such Investor, Founder or Key Holder),(b) is or has been independently developed or conceived by such Investor, Founder or Key Holder without use of the Company's confidential information, or (c) is or has been made known or disclosed to such Investor, Founder or Key Holder by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that an Investor, Founder or Key Holder may disclose confidential information (i) to its and its Affiliates' respective attorneys, accountants, consultants, and other professionals to the extent reasonably necessary to obtain their services in connection with monitoring, managing and making decisions with respect to its investment in the Company; (ii) to any prospective purchaser of any securities from such Investor, Founder or Key Holder, if such prospective purchaser agrees to be bound by the provisions of this Section 3.5; (iii) to any existing or prospective Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, regulation, rule, court order or subpoena, provided that such Investor, Founder or Key Holder promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

4. Rights to Future Stock Issuances.

4.1 Right of First Offer. Subject to the terms and conditions of this Section 4.1 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Rights Holder. A Rights Holder who is an Investor shall be entitled to apportion the right of first offer hereby granted to it in such proportions as it deems appropriate, among (i) itself and (ii) its Affiliates; provided that each such Affiliate (x) is not a Competitor, unless such party's purchase of New Securities is otherwise unanimously consented to by the Board of Directors, (y) agrees to enter into this Agreement and each of the Amended and Restated Voting Agreement and the Amended and Restated Right of First Refusal and Co-Sale Agreement, each of even date herewith among the Company, the Investors and the other parties named therein, as an "**Investor**" under each such agreement (provided that any Competitor shall not be entitled to any rights as a Major Investor or Rights Holder, as applicable under Sections 3.1, 3.2 and 4.1 hereof), and (z) agrees to purchase at least such number of New Securities as are allocable hereunder to the Rights Holder holding the fewest number of shares of Common Stock, Preferred Stock and any other Derivative Securities.

(a) The Company shall give notice (the "**Offer Notice**") to each Rights Holder, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each Rights Holder may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Common Stock then held by such Rights Holder (including all shares of Common Stock then issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held by such Rights Holder) bears to the total Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Preferred Stock and any other Derivative Securities then outstanding); provided, however, that the maximum dollar amount of New Securities that may be purchased by a Key Holder in connection with such offering shall not exceed $250,000 without the consent of the Board of Directors, including the Requisite Preferred Directors. At the expiration of such twenty (20) day period, the Company shall promptly notify each Rights Holder that elects to purchase or acquire all the shares available to it (each, a "**Fully Exercising Rights Holder**") of any other Rights Holder's failure to do likewise. During the ten (10) day period commencing after the Company has given such notice, each Fully Exercising Rights Holder may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of shares specified above, up to that portion of the New Securities for which Rights Holders were entitled to subscribe but that were not subscribed for by the Rights Holders which is equal to the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Rights Holder bears to the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Rights Holders who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Section 4.1(b) shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 4.1(b), the Company may, during the ninety (90) day period following the expiration of the periods provided in Section 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Investors in accordance with this Section 4.1.

(d) The right of first offer in this Section 4.1 shall not be applicable to (i) Exempted Securities (as defined in the Restated Certificate); (ii) shares of Common Stock issued in the IPO; and (iii) the issuance of shares of Preferred Stock pursuant to the Purchase Agreement.

(e) Notwithstanding any provision hereof to the contrary, in lieu of complying with the provisions of this Section 4.1, the Company may elect to give notice to the Rights Holders within thirty (30) days after the issuance of New Securities. Such notice shall describe the type, price and terms of the New Securities. Each Rights Holder shall have twenty (20) days from the date notice is given to elect to purchase up to the number of New Securities that would, if purchased by such Rights Holder, maintain such Rights Holder's percentage ownership position, calculated as set forth in Section 4.1(b) before giving effect to the issuance of such New Securities.

4.2 Termination. The covenants set forth in Section 4.1 shall terminate and be of no further force or effect (i) immediately before the consummation of a Qualified IPO (as defined in the Restated Certificate), or (ii) upon the closing of a Deemed Liquidation Event (as defined in the Restated Certificate) in which the consideration received by the Investors in such Deemed Liquidation Event is in the form of cash and/or publicly traded securities, or if the Investors receive participation rights from the acquiring company or other successor to the Company reasonably comparable to those set forth in this Section 4.

5. Additional Covenants.

5.1 Insurance. The Company shall maintain its director and officer liability insurance in an amount and on terms and conditions satisfactory to the Board of Directors, including each Preferred Director, and will use commercially reasonable efforts to cause such policy to be maintained until such time as the Board of Directors determines that such insurance should be discontinued. Notwithstanding any other provision of this Section 5.1 to the contrary, for so long as a Preferred Director is serving on the Board of Directors, the Company shall not cease to maintain a Directors and Officers liability insurance policy in an amount of at least $2,000,000 unless approved by each such Preferred Director.

5.2 Employee Agreements. Unless otherwise approved by the Board of Directors, including the Requisite Preferred Directors , the Company will cause (i) each Person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets to enter into a nondisclosure, proprietary rights assignment and non-solicitation agreement. In addition, the Company shall not amend, modify, terminate, waive, or otherwise alter, in whole or in part, any of the above-referenced agreements or any restricted stock agreement between the Company and any Key Employee, without the consent of the Board of Directors, including the Requisite Preferred Directors.

5.3 Employee Stock. Unless otherwise approved by the Board of Directors, including the Requisite Preferred Directors, all future employees of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for (i) vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months, and (ii) a market stand-off provision substantially similar to that in Section 2.11. Without the prior approval by the Board of Directors, including the Requisite Preferred Directors, the Company shall not amend, modify, terminate, waive or otherwise alter, in whole or in part, any stock purchase,

stock restriction or option agreement with any existing or future employee or service provider if such amendment would cause it to be inconsistent with this Section 5.3. In addition, unless otherwise approved by the Board of Directors, including the Requisite Preferred Directors, the Company (x) shall not offer or allow any acceleration of vesting, and (y) shall retain (and not waive) a "right of first refusal" on employee transfers until the Company's IPO and shall have the right to repurchase unvested shares at cost upon termination of employment of a holder of restricted stock.

5.4 Matters Requiring Preferred Director Approval. During such time or times as the holders of Preferred Stock are entitled to elect a Preferred Director and such seat is filled, the Company hereby covenants and agrees with each of the Investors that it shall not, without approval of the Board of Directors, which approval must include the Requisite Preferred Directors:

(a) make, or permit any subsidiary to make, any loan or advance to, or own any stock or other securities of, any subsidiary or other corporation, partnership, or other entity unless it is wholly owned by the Company;

(b) make, or permit any subsidiary to make, any loan or advance to any Person, including, without limitation, any employee or director of the Company or any subsidiary, except advances and similar expenditures in the ordinary course of business or under the terms of an employee stock or option plan approved by the Board of Directors;

(c) guarantee, directly or indirectly, or permit any subsidiary to guarantee, directly or indirectly, any indebtedness except for trade accounts of the Company or any subsidiary arising in the ordinary course of business;

(d) implement or change any cash investment policy or make any investment inconsistent with any investment policy approved by the Board of Directors;

(e) incur any aggregate indebtedness in excess of $250,000 that is not already included in the Budget (as defined in Section 3.1(e)), other than trade credit incurred in the ordinary course of business;

(f) hire, terminate, or change the compensation of the executive officers, including approving any option grants or stock awards to executive officers;

(g) change the principal business of the Company, enter new lines of business, or exit the current line of business; or

(h) take any actions set forth in Article IV, Section B.3.3. of the Restated Certificate.

5.5 Board Matters. Unless otherwise determined by the vote of a majority of the directors then in office (including the Requisite Preferred Directors), the Board of Directors shall meet at least quarterly in accordance with an agreed-upon schedule. The Company shall reimburse the non-employee directors and board observers for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board of Directors. The Company shall cause to be established, as soon as practicable after

such request, and will maintain, an audit and compensation committee, each of which shall consist solely of non-management directors. Each non-employee director shall be entitled in such person's discretion to be a member of all committees of the Board of Directors.

5.6 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, the Company shall use commercially reasonable efforts so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board of Directors as in effect immediately before such transaction, whether such obligations are contained in the Company's Bylaws, the Restated Certificate, or elsewhere, as the case may be.

5.7 Indemnification Matters. The Company hereby acknowledges that one (1) or more of the Preferred Directors nominated to serve on the Board of Directors by one (1) or more Investors may have certain rights to indemnification, advancement of expenses and/or insurance provided by one (1) or more of the Investors and certain of their Affiliates (collectively, the "**Investor Indemnitors**"). The Company hereby agrees (a) that it is the indemnitor of first resort (*i.e.*, its obligations to any such Preferred Director are primary and any obligation of the Investor Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Preferred Director are secondary), (b) that it shall be required to advance the full amount of expenses incurred by such Preferred Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Preferred Director to the extent legally permitted and as required by the Restated Certificate or Bylaws of the Company (or any agreement between the Company and such Preferred Director), without regard to any rights such Preferred Director may have against the Investor Indemnitors, and, (c) that it irrevocably waives, relinquishes and releases the Investor Indemnitors from any and all claims against the Investor Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Investor Indemnitors on behalf of any such Preferred Director with respect to any claim for which such Preferred Director has sought indemnification from the Company shall affect the foregoing and the Investor Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Preferred Director against the Company. The Preferred Directors and the Investor Indemnitors are intended third-party beneficiaries of this Section 5.7 and shall have the right, power and authority to enforce the provisions of this Section 5.7 as though they were a party to this Agreement.

5.8 Right to Conduct Activities. The Company hereby agrees and acknowledges that each Investor that is a professional investment organization or that is engaged in the business of making investments in one or more other portfolio companies (together with their Affiliates, the "**VC Fund Investors**"), may as such (a) make or hold investments in, or trade in public securities of companies that are or may become engaged in activities that are competitive with the Company's business, as it is currently conducted or as it may be conducted in the future and (b) review the business plans and related proprietary information of many enterprises, some of which may compete directly or indirectly with the Company's business (as currently conducted or as currently propose to be conducted). Nothing in this Agreement shall preclude or in any way restrict the Investors from evaluating or purchasing securities, including publicly traded securities, of a particular enterprise, or investing or participating in any particular enterprise whether or not

such enterprise has products or services which compete with those of the Company, and the Company hereby agrees that, to the extent permitted under applicable law, no VC Fund Investor shall be liable to the Company for any claim arising out of, or based upon, (i) the investment by any such VC Fund Investor in any entity competitive with the Company, or (ii) actions taken by any partner, officer, employee or other representative of any such VC Fund Investor to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; provided, however, that the foregoing shall not relieve (x) any of the Investors from liability associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement, or (y) any director or officer of the Company from any liability associated with his or her fiduciary duties to the Company. Subject to clauses (x) and (y) above, nothing in this Agreement shall preclude, create an obligation or duty, or in any way restrict the VC Fund Investors from evaluating or purchasing securities, including publicly traded securities, of a particular enterprise, whether or not such enterprise has products or services which compete with those of the Company.

5.9 Side Letters. The Company agrees and covenants that it will promptly notify (and provide a copy to) RA Capital and OSI if it enters into any separate agreements or side letters with any other shareholder of the Company or, to the knowledge of the Company, an affiliate of any such shareholder (other than the Transaction Agreements (as defined in the Purchase Agreement) and employment related agreements in the ordinary course).

5.10 FCPA. The Company covenants that it shall not (and shall not permit any of its subsidiaries or Affiliates or any of its or their respective directors, officers, managers, employees, independent contractors, representatives or agents to) promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, to any third party, including any Non-U.S. Official (as such term is defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**")), in each case, in violation of the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. The Company further covenants that it shall (and shall cause each of its subsidiaries and Affiliates to) cease all of its or their respective activities, as well as remediate any actions taken by the Company, its subsidiaries or Affiliates, or any of their respective directors, officers, managers, employees, independent contractors, representatives or agents in violation of the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. The Company further covenants that it shall (and shall cause each of its subsidiaries and Affiliates to) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. Upon request, the Company agrees to provide responsive information and/or certifications concerning its compliance with applicable anti-corruption laws. The Company shall promptly notify each Investor if the Company becomes aware of any Enforcement Action (as defined in the Purchase Agreement). The Company shall, and shall cause any direct or indirect subsidiary or entity controlled by it, whether now in existence or formed in the future, to comply with the FCPA. The Company shall use its best efforts to cause any direct or indirect subsidiary, whether now in existence or formed in the future, to comply in all material respects with all applicable laws.

5.11 Cybersecurity. The Company shall, within one hundred eighty (180) days following the Initial Closing (as defined in the Purchase Agreement), use commercially reasonable

efforts to (a) identify and restrict access (including through physical and/or technical controls) to the Company's confidential business information and trade secrets and any information about identified or identifiable natural persons maintained by or on behalf of the Company (collectively, "**Protected Data**") to those individuals who have a need to access it and (b) implement reasonable physical, technical and administrative safeguards ("**Cybersecurity Solutions**") designed to protect the confidentiality, integrity and availability of its technology and systems (including servers, laptops, desktops, cloud, containers, virtual environments and data centers) and all Protected Data. The Company shall use commercially reasonable efforts to ensure that the Cybersecurity Solutions (x) are up-to-date and include industry-standard protections (*e.g.*, antivirus, endpoint detection and response and threat hunting), (y) to the extent determined necessary by the Company or the Board of Directors, are backed by a breach prevention warranty from the vendor certifying the effectiveness of such solutions, and (z) require the vendors to notify the Company of any security incidents posing a risk to the Company's information (regardless of whether information was actually compromised). The Company shall evaluate on a periodic basis at least annually whether such safeguards should be updated to maintain a level of security appropriate to the risk posed to Company systems and Protected Data. The Company shall educate its employees about the proper use and storage of Protected Data, including periodic training as determined reasonably necessary by the Company or the Board of Directors.

5.12 Sponsored Research Agreement. As soon as is reasonably practicable following the Initial Closing, the Company shall use commercially reasonable efforts to enter into a sponsored research agreement with the University pertaining to the Company's platform development, which agreement shall be on mutually agreeable terms to each of the Company and the University and shall be executed before the consummation of the next bona fide equity financing of the Company.

5.13 Prohibited use of the "Oxford" Name. Neither the Company nor its Affiliates shall change its name to, or trade under any name which includes, the word "Oxford" without the prior written consent of the University.

5.14 Prohibited Activities. For so long as the University holds shares of the Company's capital stock, without the prior written consent of the University, the Company shall not change the business of the Company in a manner that would reasonably be expected to have a material detrimental impact on the reputation of the University, including without limitation engaging in (i) the production of, and trade in, tobacco, (ii) internet gambling, online casinos or pornography, (iii) any activity related to modifying the genetic heritage of human beings which could make such changes heritable or have the aim of human cloning for reproductive purposes, or (iv) the development of weapons, armaments or ammunition.

5.15 Tax Matters. The Company and KAVRA 16 LLC ("**Viking**") agree that:

(a) It is the Company's and Viking's intention that (i) the Series B Preferred Stock shall be treated as stock that is not "preferred stock" within the meaning of Section 305 of the Internal Revenue Code of 1986, as amended (the "**Code**") and the Treasury Regulations issued thereunder, and (ii) Viking shall not be required to include in income as a dividend for U.S. federal income tax purposes any income or gain in respect of the Series B Preferred Stock on account of the accrual of dividends thereon (including any deemed dividends or as a result of any discount)

unless and until such dividends are declared and paid in cash. The Company and Viking agree to take no positions or actions inconsistent with such treatment (including on any Internal Revenue Service Form 1099), unless otherwise required by a change in applicable law after the Initial Closing, as defined in the Purchase Agreement.

(b) The Company shall use commercially reasonable efforts to cooperate with Viking to structure any redemption of the Series B Preferred Stock permitted under the terms of the Restated Certificate to be treated as a payment in exchange for stock pursuant to Section 302 of the Code.

(c) Promptly following (and in any event within ten (10) days after receipt of) written request by an Investor, the Company shall provide such Investor with a written statement informing such Investor whether such Investor's interest in the Company constitutes a United States real property interest. The Company's determination shall comply with the requirements of Treasury Regulation Section 1.897-2(h)(1) or any successor regulation, and the Company shall provide timely notice to the Internal Revenue Service, in accordance with and to the extent required by Treasury Regulation Section 1.897-2(h)(2) or any successor regulation, that such statement has been made. The Company's obligation to furnish such written statement shall continue notwithstanding the fact that a class of the Company's stock may be regularly traded on an established securities market or the fact that there is no Preferred Stock then outstanding.

5.16 Publicity. Within sixty (60) days following the Initial Closing, the Company may issue a press release disclosing that RA Capital and OSI have invested in the Company provided that the final version of the press release is approved in advance in writing by RA Capital and OSI. No other press release, public statement, or announcement regarding an Investor may be made without the prior written consent of such Investor except as necessary for the Company to comply with required law or regulation.

5.17 Termination of Covenants. The covenants set forth in this Section 5, except for Sections 5.6, 5.7, 5.14, and 5.16, shall terminate and be of no further force or effect (i) immediately before the consummation of a Qualified IPO (as defined in the Restated Certificate) or (ii) upon a Deemed Liquidation Event, whichever event occurs first.

6. Miscellaneous.

6.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder or Rights Holder, as applicable, to a transferee that (a) is an Affiliate of a Holder or Rights Holder; (b) is a Holder or Right Holder's Immediate Family Member or trust for the benefit of an individual Holder or one (1) or more of such Holder or Right Holder's Immediate Family Members; or (c) after such transfer, holds at least 250,000 shares of the Company's capital stock (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations); provided, however, that (i) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the securities with respect to which such rights are being transferred; and (ii) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Section 2.11. For the purposes of determining the number of securities held by a transferee, the holdings of a transferee

(1) that is an Affiliate or stockholder of a Holder or Rights Holder; (2) who is a Holder or Right's Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder, Rights Holder or such Holder or Rights Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder or Rights Holder, as applicable; provided further that all transferees who would not qualify individually for assignment of rights shall, as a condition to the applicable transfer, establish a single attorney-in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

6.2 Governing Law. This Agreement shall be governed by the internal law of the State of Delaware, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Delaware.

6.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5 Notices.

(a) (a) Except, with respect to any Investor, as modified by any side letter agreement between such Investor and the Company, all notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with an internationally recognized overnight courier (e.g., FedEx and DHL), freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule A or Schedule B (as applicable) hereto, or (as to the Company) to the principal office of the Company and to the attention of the Chief Executive Officer, or in any case to such email address or address as subsequently modified by written notice given in accordance with this Section 6.5. If notice is given to the Company, a copy (which copy shall not constitute notice) shall also be sent to Goodwin Procter LLP, 100 Northern Avenue, Boston, MA 02210, U.S.A. Attn: Richard A. Hoffman, rhoffman@goodwinlaw.com; and if notice is given to Investors, a copy (which copy shall not constitute notice) shall also be given to Wilson Sonsini Goodrich & Rosati P.C., 28 State Street, 37th Floor, Boston, MA 02109, U.S.A. Attn: Jennifer Fang, jfang@wsgr.com.

(b) Consent to Electronic Notice. Except, with respect to any Investor, as modified by any side letter agreement between such Investor and the Company, each Investor and Key Holder consents to the delivery of any stockholder notice pursuant to the Delaware General Corporation Law (the "**DGCL**"), as amended or superseded from time to time, by electronic transmission pursuant to Section 232 of the DGCL (or any successor thereto) at the electronic mail address set forth below such Investor's or Key Holder's name on the Schedules hereto, as updated from time to time by notice to the Company, or as on the books of the Company. To the extent that any notice given by means of electronic transmission is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected electronic mail address has been provided, and such attempted electronic notice shall be ineffective and deemed to not have been given. Each Investor and Key Holder agrees to promptly notify the Company of any change in such stockholder's electronic mail address, and that failure to do so shall not affect the foregoing.

6.6 Amendments and Waivers. Any term of this Agreement may be amended, modified or terminated and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of (i) the Company, (ii) the holders of a majority of the shares of the Company's Common Stock and Preferred Stock (calculated on an as-converted to Common Stock basis) then held by the Key Holders who are then providing services to the Company as officers, employees or consultants, and (iii) the holders of at least a majority of the Registrable Securities then outstanding; provided that the Company may in its sole discretion waive compliance with Section 2.12(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Section 2.12(c) shall be deemed to be a waiver); and provided further that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, (a) this Agreement may not be amended, modified or terminated and the observance of any term hereof may not be waived with respect to any party without the written consent of such party, unless such amendment, modification, termination, or waiver applies to the express rights and obligations herein of all parties (or class of party) in the same fashion and not objectively intended to disadvantage any Major Investor(s) relative to all other Major Investors (it being agreed that a waiver of the provisions of Section 4 with respect to a particular transaction shall be deemed to apply to the express rights and obligations herein of all Rights Holders in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Rights Holders may nonetheless, by agreement with the Company, purchase securities in such transaction), provided, however, that (1) in the event any Major Investor (including its Affiliates) purchases any New Securities in any issuance of New Securities by the Company following an amendment, modification or wavier of Section 4 or the definition of "Additional Shares of Common Stock" under the Restated Certificate (a "**Participating Investor**"), then each other Major Investor that did not consent to such amendment, modification or wavier shall be given the opportunity to participate in such offering and to purchase the same proportion (up to 100%) of such Major Investor's pro rata share of the New Securities being offered by the Company in the relevant transaction as is being purchased by the Participating Investor purchasing the largest proportion of such Participating Investor's pro rata share and (2) if the provisions of Section 4 are waived without the consent of OSI and/or RA Capital (such non-consenting investor or investors, the "**Non-Consenting Investor**") each Non-Consenting Investor shall have the opportunity to purchase (with the benefit of Section 6.8) the lesser of (i) its pro rata portion of the New Securities as determined in accordance with Section 4.1

and (ii) such additional New Securities such that the fully-diluted ownership of such Non-Consenting Investor equals 20% after such issuance of New Securities to the Non-Consenting Investor pursuant to this provision (for the avoidance of doubt, the term "fully diluted ownership" as used in this Section 6.6 shall be calculated by adding the number of outstanding shares of capital stock, plus the number of shares of capital stock subject to issuance under outstanding options or warrants or other convertible securities, plus the number of shares of Company Common Stock reserved for issuance (excluding shares of capital stock subject to issuance under outstanding options) pursuant to the Company's stock option, equity incentive or similar agreement); and (b) Sections 1.21, 3.1, 3.2, Section 4 and any other section of this Agreement applicable to the Major Investors (including this clause (b) of this Section 6.6) may be amended, modified, terminated or waived (solely with respect to the Major Investors) with only the written consent of the Company and the holders of at least a majority of the Registrable Securities then outstanding and held by the Major Investors, except, in each case, for such terminations as are expressly provided in Sections 2.13, 3.4, 4.2 and 5.17. Notwithstanding the foregoing, (t) Sections 1.5, 1.20, 3.1, 3.3(a), 5.6, 5.7, 5.8, and 5.11 and this subclause (t) may not be amended, modified or terminated without the written consent of RA Capital, (u) Sections 1.5, 1.20, 3.1, 3.3(b), 5.6, 5.7 and 5.8 and this subclause (u) may not be amended, modified or terminated without the written consent of OSI, (v) Sections 1.5, 1.20, 5.13, 5.14 and this subclause (v) may not be amended, modified or terminated without the written consent of the University, (w) Section 1.5 and this subclause (w) may not be amended, modified or terminated without the written consent of Deerfield, (x) Section 1.5 and this subclause (x) may not be amended, modified or terminated without the written consent of Averill, (y) Sections 5.15(a) and (b) and this subclause (y) may not be amended, modified or terminated without the written consent of Viking and (z) Section 3.3(c) and this subclause (z) may not be amended, modified or terminated without the written consent of the holders of a majority of the shares of the Company's capital stock then held by the Founders then providing services to the Company as an employee or independent contractor, except, in each case of subclause (t) through (z), for such terminations as are expressly provided in Sections 2.13, 3.4, 4.2 and 5.17. Further, the consent of the Key Holders shall not be required for any amendment, modification, termination or waiver if such amendment, modification, termination, or waiver either (A) is not directly applicable to the rights of the Key Holders hereunder; or (B) does not adversely affect the express rights and obligations herein of the Key Holders in a manner that is different than the effect on the express rights and obligations herein of the other parties hereto. Notwithstanding the foregoing, Schedule A hereto may be amended by the Company from time to time to add transferees of any Registrable Securities in compliance with the terms of this Agreement without the consent of the other parties; Schedule A hereto may also be amended by the Company after the date of this Agreement without the consent of the other parties to add information regarding any additional Investor who becomes a party to this Agreement in accordance with Section 6.9; and Schedule B hereto may be amended by the Company after the date of this Agreement to add any additional Key Holder who becomes a party to this Agreement in accordance with the terms hereof. Any amendment, modification, termination, or waiver effected in accordance with this Section 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one (1) or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

6.7 Severability. In case any one (1) or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such

invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.8 Aggregation of Stock; Apportionment. All shares held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated Persons may apportion such rights as among themselves in any manner they deem appropriate.

6.9 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of Preferred Stock after the date hereof, any purchaser of such shares of Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

6.10 Entire Agreement. Upon the effectiveness of this Agreement, the Prior Agreement shall be deemed amended and restated to read in its entirety as set forth in this Agreement. This Agreement (including any Schedules hereto) , the Restated Certificate and the other Transaction Agreements (as defined in the Purchase Agreement), constitute the full and entire understanding and agreement among the parties with respect to the subject matter hereof, except, with respect to any Investor, as modified by any side letter agreement between such Investor and the Company, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

6.11 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Delaware and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Delaware or the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION AGREEMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY

DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.12 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or non-defaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.13 Limitation on Liability. The total liability, in the aggregate, of each Investor for any and all claims, losses, costs or damages, including attorneys' and accountants' fees and expenses and costs of any nature whatsoever or claims or expenses resulting from or in any way related to this Agreement or from any cause or causes (collectively, "**Claims**") shall be several and not joint with the other Investors and shall not exceed the total consideration payable to the Company by such Investor for the Shares (as defined in the Purchase Agreement) under the Purchase Agreement, except in the case of such Purchaser's indemnification obligations pursuant to this Agreement. No Affiliate, officer, director, employee or agent of any Investor shall have any liability for any Claim whatsoever. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

COMPANY:

PEPGEN INC.

By: /s/ James McArthur, Ph.D.
Name: James McArthur, Ph.D.
Title: Chief Executive Officer

PEPGEN INC.

2020 STOCK PLAN

ADOPTED ON NOVEMBER 23, 2020

TABLE OF CONTENTS

SECTION 1. ESTABLISHMENT AND PURPOSE.

The purpose of this Plan is to attract, incentivize and retain Employees, Outside Directors and Consultants through the grant of Awards. The Plan provides for the direct award or sale of Shares, the grant of Options to purchase Shares and the grant of Restricted Stock Units to acquire Shares. Options granted under the Plan may be ISOs intended to qualify under Code Section 422 or NSOs which are not intended to so qualify.

Capitalized terms are defined in Section 12.

SECTION 2. ADMINISTRATION.

(a) **Committees of the Board of Directors**. The Plan may be administered by one or more Committees. Each Committee shall consist, as required by applicable law, of one or more members of the Board of Directors who have been appointed by the Board of Directors. Each Committee shall have such authority and be responsible for such functions as the Board of Directors has assigned to it. If no Committee has been appointed, the entire Board of Directors shall administer the Plan. Any reference to the Board of Directors in the Plan or an Award Agreement shall be construed as a reference to the Committee (if any) to whom the Board of Directors has assigned a particular function.

(b) **Authority of the Board of Directors**. Subject to the provisions of the Plan, the Board of Directors shall have full authority and discretion to take any actions it deems necessary or advisable for the administration of the Plan. Notwithstanding anything to the contrary in the Plan, with respect to the terms and conditions of awards granted to Participants outside the United States, the Board of Directors may vary from the provisions of the Plan to the extent it determines it necessary and appropriate to do so; provided that it may not vary from those Plan terms requiring stockholder approval pursuant to Section 11(d) below. All decisions, interpretations and other actions of the Board of Directors shall be final and binding on all Participants and all persons deriving their rights from a Participant.

SECTION 3. ELIGIBILITY.

(a) **General Rule**. Employees, Outside Directors and Consultants shall be eligible for the grant of Awards under the Plan. However, only Employees shall be eligible for the grant of ISOs.

(b) **Ten-Percent Stockholders**. A person who owns more than 10% of the total combined voting power of all classes of outstanding stock of the Company, its Parent or any of its Subsidiaries shall not be eligible for the grant of an ISO unless (i) the Exercise Price is at least 110% of the Fair Market Value of a Share on the Date of Grant and (ii) such ISO by its terms is not exercisable after the expiration of five years from the Date of Grant. For purposes of this Subsection (b), in determining stock ownership, the attribution rules of Code Section 424(d) shall be applied.

SECTION 4. STOCK SUBJECT TO PLAN.

(a) **Basic Limitation**. Not more than 39,239 Shares may be issued under the Plan, subject to Subsection (b) below and Section 9(a).[1] All of these Shares may be issued upon the exercise of ISOs. The Company, during the term of the Plan, shall at all times reserve and keep available sufficient Shares to satisfy the requirements of the Plan. Shares offered under the Plan may be authorized but unissued Shares or treasury Shares.

(b) **Additional Shares**. In the event that Shares previously issued under the Plan are forfeited to or repurchased by the Company due to failure to vest, such Shares shall be added to the number of Shares then available for issuance under the Plan. In the event that Shares that otherwise would have been issuable under the Plan are withheld by the Company in payment of the Purchase Price, Exercise Price or withholding taxes, such Shares shall remain available for issuance under the Plan. In the event that an outstanding Option, Restricted Stock Unit or other right for any reason expires or is canceled, the Shares allocable to the unexercised or unsettled portion of such Option, Restricted Stock Unit or other right shall remain available for issuance under the Plan. To the extent an Award is settled in cash, the cash settlement shall not reduce the number of Shares remaining available for issuance under the Plan. Notwithstanding the foregoing, in the case of ISOs, this Subsection (b) shall be subject to any limitations imposed under Section 422 of the Code and the treasury regulations thereunder.

SECTION 5. TERMS AND CONDITIONS OF AWARDS OR SALES.

(a) **Stock Grant or Purchase Agreement**. Each award of Shares under the Plan shall be evidenced by a Stock Grant Agreement between the Grantee and the Company. Each sale of Shares under the Plan (other than upon exercise of an Option) shall be evidenced by a Stock Purchase Agreement between the Purchaser and the Company. Such award or sale shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions which are not inconsistent with the Plan and which the Board of Directors deems appropriate for inclusion in a Stock Grant Agreement or Stock Purchase Agreement. The provisions of the various Stock Grant Agreements and Stock Purchase Agreements entered into under the Plan need not be identical.

(b) **Duration of Offers and Nontransferability of Rights**. Any right to purchase Shares under the Plan (other than an Option) shall automatically expire if not exercised by the Purchaser within 30 days (or such other period as may be specified in the Award Agreement) after the grant of such right was communicated to the Purchaser by the Company. Such right is not transferable and may be exercised only by the Purchaser to whom such right was granted.

(c) **Purchase Price**. The Board of Directors shall determine the Purchase Price of Shares to be offered under the Plan at its sole discretion. The Purchase Price shall be payable in a form described in Section 8.

[1] Please refer to Exhibit A for a schedule of the initial share reserve and any subsequent increases in the reserve.

SECTION 6. TERMS AND CONDITIONS OF OPTIONS.

(a) **Stock Option Agreement**. Each grant of an Option under the Plan shall be evidenced by a Stock Option Agreement between the Optionee and the Company. The Option shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and that the Board of Directors deems appropriate for inclusion in a Stock Option Agreement. The provisions of the various Stock Option Agreements entered into under the Plan need not be identical.

(b) **Number of Shares**. Each Stock Option Agreement shall specify the number of Shares that are subject to the Option and shall provide for the adjustment of such number in accordance with Section 9. The Stock Option Agreement shall also specify whether the Option is an ISO or an NSO.

(c) **Exercise Price**.

(i) **General**. Each Stock Option Agreement shall specify the Exercise Price, which shall be payable in a form described in Section 8. Subject to the remaining provisions of this Subsection (c), the Exercise Price shall be determined by the Board of Directors in its sole discretion.

(ii) **ISOs**. The Exercise Price of an ISO shall not be less than 100% of the Fair Market Value of a Share on the Date of Grant, and a higher percentage may be required by Section 3(b). This Subsection (c)(ii) shall not apply to an ISO granted pursuant to an assumption of, or substitution for, another incentive stock option in a manner that complies with Code Section 424(a).

(iii) **NSOs**. Except as specifically set forth in this Subsection (c)(iii), the Exercise Price of an NSO shall not be less than 100% of the Fair Market Value of a Share on the Date of Grant. This Subsection (c)(iii) shall not apply to an NSO granted to a person who is not a U.S. taxpayer on the Date of Grant or to an NSO that is intended either to be exempt from Code Section 409A as a "short-term deferral" or to comply with the requirements of Code Section 409A. In addition, this Subsection (c)(iii) shall not apply to an NSO granted pursuant to an assumption of, or substitution for, another stock option in a manner that complies with Code Section 409A.

(d) **Vesting and Exercisability**. Each Stock Option Agreement shall specify the date when all or any installment of the Option is to become vested and exercisable. No Option shall be exercisable unless the Optionee (i) has delivered an executed copy of the Stock Option Agreement to the Company or (ii) otherwise agrees to be bound by the terms of the Stock Option Agreement. The Board of Directors shall determine the vesting and exercisability provisions of the Stock Option Agreement at its sole discretion.

(e) **Basic Term**. The Stock Option Agreement shall specify the term of the Option. The term shall not exceed 10 years from the Date of Grant, and in the case of an ISO, a shorter term may be required by Section 3(b). Subject to the preceding sentence, the Board of Directors at its sole discretion shall determine when an Option is to expire.

(f) **Termination of Service (Except by Death)**. If an Optionee's Service terminates for any reason other than the Optionee's death, then the Optionee's Options shall expire on the earliest of the following dates:

(i) The expiration date determined pursuant to Subsection (e) above;

(ii) The date three months after the termination of the Optionee's Service for any reason other than Disability, or such earlier or later date as the Board of Directors may determine (but in no event earlier than 30 days after the termination of the Optionee's Service); or

(iii) The date six months after the termination of the Optionee's Service by reason of Disability, or such later date as the Board of Directors may determine.

The Optionee may exercise all or part of the Optionee's Options at any time before the expiration of such Options under the preceding sentence, but only to the extent that such Options had become exercisable before the Optionee's Service terminated (or became exercisable as a result of the termination) and the underlying Shares had vested before the Optionee's Service terminated (or vested as a result of the termination). In the event that the Optionee dies after the termination of the Optionee's Service but before the expiration of the Optionee's Options, all or part of such Options may be exercised (prior to expiration) by the executors or administrators of the Optionee's estate or by any person who has acquired such Options directly from the Optionee by beneficiary designation, bequest or inheritance, but only to the extent that such Options had become exercisable before the Optionee's Service terminated (or became exercisable as a result of the termination) and the underlying Shares had vested before the Optionee's Service terminated (or vested as a result of the termination). In no event will an Option, or the Shares underlying an Option, become vested and/or exercisable after termination of the Optionee's Service unless the Board of Directors takes affirmative action or unless expressly provided in a written agreement between the Company and the Optionee.

(g) **Leaves of Absence**. For purposes of Subsection (f) above, Service shall be deemed to continue while the Optionee is on a bona fide leave of absence approved by the Company in writing.

(h) **Death of Optionee**. If an Optionee dies while the Optionee is in Service, then the Optionee's Options shall expire on the earlier of the following dates:

(i) The expiration date determined pursuant to Subsection (e) above; or

(ii) The date 12 months after the Optionee's death, or such earlier or later date as the Board of Directors may determine (but in no event earlier than six months after the Optionee's death).

All or part of the Optionee's Options may be exercised at any time before the expiration of such Options under the preceding sentence by the executors or administrators of the Optionee's estate

or by any person who has acquired such Options directly from the Optionee by beneficiary designation, bequest or inheritance, but only to the extent that such Options had become exercisable before the Optionee's death (or became exercisable as a result of the death) and the underlying Shares had vested before the Optionee's death (or vested as a result of the Optionee's death). In no event will an Option, or the Shares underlying an Option, become vested and/or exercisable after the Optionee's death unless the Board of Directors takes affirmative action or unless expressly provided in a written agreement between the Company and the Optionee.

(i) **Restrictions on Transfer of Options**. An Option shall be transferable by the Optionee only by (i) a beneficiary designation, (ii) a will or (iii) the laws of descent and distribution, except as provided in the next sentence. If the Board of Directors so provides, in a Stock Option Agreement or otherwise, an NSO may be transferable to the extent permitted by Rule 701 under the Securities Act. An ISO may be exercised during the lifetime of the Optionee only by the Optionee or by the Optionee's guardian or legal representative.

(j) **No Rights as a Stockholder**. An Optionee, or a transferee of an Optionee, shall have no rights as a stockholder with respect to any Shares covered by the Optionee's Option until such person submits a notice of exercise, pays the Exercise Price and satisfies all applicable withholding taxes pursuant to the terms of such Option.

(k) **Modification, Extension and Assumption of Options**. Within the limitations of the Plan, the Board of Directors may modify, reprice, extend or assume outstanding Options or may accept the cancellation of outstanding options (whether granted by the Company or another issuer) in return for the grant of new Options or a different type of award for the same or a different number of Shares and at the same or a different Exercise Price (if applicable). The foregoing notwithstanding, no modification of an Option shall, without the consent of the Optionee, impair the Optionee's rights or increase the Optionee's obligations under such Option; provided, however, that a modification of an Option that is otherwise favorable to the Optionee (for example, providing the Optionee with additional time to exercise the Option after termination of employment or providing for additional forms of payment) but causes the Option to lose its tax-favored status (for example, as an ISO) shall not require the consent of the Optionee.

(l) **Company's Right to Cancel Certain Options**. Any other provision of the Plan or a Stock Option Agreement notwithstanding, the Company shall have the right at any time to cancel an Option that was not granted in compliance with Rule 701 under the Securities Act. Prior to canceling such Option, the Company shall give the Optionee not less than 30 days' notice in writing. If the Company elects to cancel such Option, it shall deliver to the Optionee consideration with an aggregate value equal to the excess of (i) the Fair Market Value of the Shares subject to such Option as of the time of the cancellation over (ii) the Exercise Price of such Option. The consideration may be delivered in the form of cash or cash equivalents, in the form of Shares, or a combination of both. If the consideration would be a negative amount, such Option may be cancelled without the delivery of any consideration.

SECTION 7. TERMS AND CONDITIONS OF RESTRICTED STOCK UNITS

(a) **Restricted Stock Unit Agreement**. Each grant of Restricted Stock Units under the Plan shall be evidenced by a Restricted Stock Unit Agreement between the recipient and the Company. Such Restricted Stock Units shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and which the Board of Directors deems appropriate for inclusion in a Restricted Stock Unit Agreement. The provisions of the various Restricted Stock Unit Agreements entered into under the Plan need not be identical.

(b) **Payment for Restricted Stock Units**. No cash consideration shall be required of the recipient in connection with the grant of Restricted Stock Units.

(c) **Vesting Conditions**. Each Restricted Stock Unit Agreement shall specify the vesting requirements applicable to the Restricted Stock Units subject thereto, which the Board of Directors shall determine in its sole discretion.

(d) **Forfeiture**. Unless a Restricted Stock Unit Agreement provides otherwise, upon termination of the recipient's Service and upon such other times specified in the Restricted Stock Unit Agreement, any unvested Restricted Stock Units shall be forfeited to the Company.

(e) **Voting and Dividend Rights**. The holders of Restricted Stock Units shall have no voting rights. Prior to settlement or forfeiture, any Restricted Stock Unit granted under the Plan may, at the discretion of the Board of Directors, carry with it a right to dividend equivalents. Such right entitles the holder to be credited with an amount equal to all cash dividends paid on one Share while the Restricted Stock Unit is outstanding. Dividend equivalents may be converted into additional Restricted Stock Units. Settlement of dividend equivalents may be made in the form of cash, in the form of Shares, or in a combination of both. Prior to distribution, any dividend equivalents that are not paid shall be subject to the same conditions and restrictions as the Restricted Stock Units to which they attach.

(f) **Form and Time of Settlement of Restricted Stock Units**. Settlement of vested Restricted Stock Units may be made in the form of (i) cash, (ii) Shares or (iii) any combination of both, as determined by the Board of Directors. The actual number of Restricted Stock Units eligible for settlement may be larger or smaller than the number included in the original award, based on predetermined performance factors. Vested Restricted Stock Units shall be settled in such manner and at such time(s) as specified in the Restricted Stock Unit Agreement. Until Restricted Stock Units are settled, the number of Shares represented by such Restricted Stock Units shall be subject to adjustment pursuant to Section 9.

(g) **Death of Recipient**. Any Restricted Stock Units that become distributable after the Participant's death shall be distributed to the Participant's estate or to any person who has acquired such Restricted Stock Units directly from the recipient by beneficiary designation, bequest or inheritance.

(h) **Creditors' Rights**. A holder of Restricted Stock Units shall have no rights other than those of a general creditor of the Company. Restricted Stock Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Restricted Stock Unit Agreement.

(i) Modification, Extension and Assumption of Restricted Stock Units.

Within the limitations of the Plan, the Board of Directors may modify, extend or assume outstanding restricted stock units (whether granted by the Company or a different issuer). The foregoing notwithstanding, no modification of a Restricted Stock Unit shall, without the consent of the Participant, impair the Participant's rights or increase the Participant's obligations under such Restricted Stock Unit.

(j) **Restrictions on Transfer of Restricted Stock Units**. A Restricted Stock Unit shall be transferable by the Participant only by (i) a beneficiary designation, (ii) a will or (iii) the laws of descent and distribution, except as provided in the next sentence. In addition, if the Board of Directors so provides, in a Restricted Stock Unit Agreement or otherwise, a Restricted Stock Unit shall also be transferable to the extent permitted by Rule 701 under the Securities Act.

SECTION 8. PAYMENT FOR SHARES.

(a) **General Rule**. The entire Purchase Price or Exercise Price of Shares issued under the Plan shall be payable in cash or cash equivalents at the time when such Shares are purchased, except as otherwise provided in this Section 8. In addition, the Board of Directors in its sole discretion may also permit payment through any of the methods described in (b) through (g) below.

(b) **Services Rendered**. Shares may be awarded under the Plan in consideration of services rendered to the Company, a Parent or a Subsidiary prior to the award.

(c) **Promissory Note**. All or a portion of the Purchase Price or Exercise Price (as the case may be) of Shares issued under the Plan may be paid with a promissory note. The Shares shall be pledged as security for payment of the principal amount of the promissory note and interest thereon. The interest rate payable under the terms of the promissory note shall not be less than the minimum rate (if any) required to avoid the imputation of additional interest under the Code. Subject to the foregoing, the Board of Directors in its sole discretion shall specify the term, interest rate, recourse, amortization requirements (if any) and other provisions of such note.

(d) **Surrender of Stock**. All or any part of the Exercise Price may be paid by surrendering, or attesting to the ownership of, Shares that are already owned by the Optionee. Such Shares shall be surrendered to the Company in good form for transfer and shall be valued at their Fair Market Value as of the date when the Option is exercised.

(e) **Cashless Exercise**. All or part of the Exercise Price and any withholding taxes may be paid pursuant to a cashless exercise arrangement (whether through a securities broker or otherwise) established by the Company whereby Shares subject to an Option are sold and all or part of the sale proceeds are delivered to the Company.

(f) **Net Exercise**. An Option may permit exercise through a "net exercise" arrangement pursuant to which the Company will reduce the number of Shares issued upon exercise by the largest whole number of Shares having an aggregate Fair Market Value (determined by the Board of Directors as of the exercise date) that does not exceed the aggregate Exercise Price or the sum of the aggregate Exercise Price and any withholding taxes (with the

Company accepting from the Optionee payment of cash or cash equivalents to satisfy any remaining balance of the aggregate Exercise Price and, if applicable, any additional withholding taxes not satisfied through such reduction in Shares); *provided* that to the extent Shares subject to an Option are withheld in this manner, the number of Shares subject to the Option following the net exercise will be reduced by the sum of the number of Shares withheld and the number of Shares delivered to the Optionee as a result of the exercise.

(g) **Other Forms of Payment**. To the extent that an Award Agreement so provides, the Purchase Price or Exercise Price of Shares issued under the Plan may be paid in any other form permitted by the Delaware General Corporation Law, as amended.

SECTION 9. ADJUSTMENT OF SHARES.

(a) **General**. In the event of a subdivision of the outstanding Stock, a declaration of a dividend payable in Shares, a combination or consolidation of the outstanding Stock into a lesser number of Shares, a reclassification, or any other increase or decrease in the number of issued shares of Stock effected without receipt of consideration by the Company, proportionate adjustments shall automatically be made, as applicable, in each of (i) the number and kind of Shares available under Section 4, (ii) the number and kind of Shares covered by each outstanding Option, Award of Restricted Stock Units and any outstanding and unexercised right to purchase Shares that has not yet expired pursuant to Section 5(b), (iii) the Exercise Price under each outstanding Option and the Purchase Price applicable to any unexercised stock purchase right described in clause (ii) above, and (iv) any repurchase price that applies to Shares granted under the Plan pursuant to the terms of a Company repurchase right under the applicable Award Agreement. In the event of a declaration of an extraordinary dividend payable in a form other than Shares in an amount that has a material effect on the Fair Market Value of the Stock, a recapitalization, a spin-off, or a similar occurrence, the Board of Directors at its sole discretion may make appropriate adjustments in one or more of the items listed in clauses (i) through (iv) above; provided, however, that the Board of Directors shall in any event make such adjustments as may be required by Section 25102(o) of the California Corporations Code to the extent the Company is relying on the exemption afforded thereunder with respect to an Award. No fractional Shares shall be issued under the Plan as a result of an adjustment under this Section 9(a), although the Board of Directors in its sole discretion may make a cash payment in lieu of fractional Shares.

(b) **Corporate Transactions**. In the event that the Company is a party to a merger or consolidation, or in the event of a sale of all or substantially all of the Company's stock or assets, all Shares acquired under the Plan and all Awards outstanding on the effective date of the transaction shall be treated in the manner described in the definitive transaction agreement (or, in the event the transaction does not entail a definitive agreement to which the Company is party, in the manner determined by the Board of Directors in its capacity as administrator of the Plan, with such determination having final and binding effect on all parties), which agreement or determination need not treat all Awards (or all portions of an Award) in an identical manner. The treatment specified in the transaction agreement or as determined by the Board of Directors may include (without limitation) one or more of the following with respect to each outstanding Award:

(i) The Company, the surviving corporation or a parent thereof may continue or assume the Award or substitute a comparable award for the Award

(including, but not limited to, an award to acquire the same consideration paid to the holders of Shares in the transaction). For avoidance of doubt, a comparable award need not be the same type of award as the Award for which it is substituted, and, in the case of an Option, need not have the same tax-status (e.g., an NSO may be substituted for an ISO).

(ii) The cancellation of the Award and a payment to the Participant with respect to each Share subject to the portion of the Award that is vested as of the transaction date equal to the excess of (A) the value, as determined by the Board of Directors in its absolute discretion, of the property (including cash) received by the holder of a share of Stock as a result of the transaction, over (if applicable) (B) the per-Share Exercise Price of the Award (such excess, the "**Spread**"). Such payment shall be made in the form of cash, cash equivalents, or securities of the surviving corporation or its parent having a value equal to the Spread. In addition, any escrow, indemnification, holdback, earn-out or similar provisions in the transaction agreement may apply to such payment to the same extent and in the same manner as such provisions apply to the holders of Stock. Receipt of the payment described in this Subsection (b)(ii) may be conditioned upon the Participant acknowledging such escrow, indemnification, holdback, earn-out or other provisions on a form prescribed by the Company. If the Spread applicable to an Award is zero or a negative number, then the Award may be cancelled without making a payment to the Participant.

(iii) Even if the Spread applicable to an Option is a positive number, the Option may be cancelled without the payment of any consideration; provided that the Optionee shall be notified of such treatment and given an opportunity to exercise the Option (to the extent the Option is vested or becomes vested as of the effective date of the transaction) during a period of not less than five (5) business days preceding the effective date of the transaction, unless (A) a shorter period is required to permit a timely closing of the transaction and (B) such shorter period still offers the Optionee a reasonable opportunity to exercise the Option.

(iv) In the case of an Option: (A) suspension of the Optionee's right to exercise the Option during a limited period of time preceding the closing of the transaction if such suspension is administratively necessary to facilitate the closing of the transaction and/or (B) termination of any right the Optionee has to exercise the Option prior to vesting in the Shares subject to the Option (i.e., "early exercise"), such that following the closing of the transaction the Option may only be exercised to the extent it is vested.

For the avoidance of doubt, the Board of Directors has discretion to accelerate, in whole or part, the vesting and exercisability of an Award in connection with a corporate transaction covered by this Section 9(b).

(c) **Dissolution or Liquidation**. To the extent not previously exercised or settled, Options, Restricted Stock Units and other rights to purchase Shares shall terminate immediately prior to the liquidation or dissolution of the Company.

(d) **Reservation of Rights**. Except as provided in Section 7(e) or this Section 9, a Participant shall have no rights by reason of (i) any subdivision or consolidation of shares of stock of any class, (ii) the payment of any dividend or (iii) any other increase or decrease in the number of shares of stock of any class. Any issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or Exercise Price of Shares subject to an Award. The grant of an Award pursuant to the Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

SECTION 10. MISCELLANEOUS PROVISIONS.

(a) **Securities Law Requirements**. Shares shall not be issued under the Plan unless, in the opinion of counsel acceptable to the Board of Directors, the issuance and delivery of such Shares complies with (or is exempt from) all applicable requirements of law, including (without limitation) the Securities Act, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange or other securities market on which the Company's securities may then be traded. The Company shall not be liable for a failure to issue Shares as a result of such requirements. Without limiting the foregoing, the Company may suspend the exercise of some or all outstanding Options for a period of up to 60 days in order to facilitate compliance with Securities Act Rule 701(e).

(b) **No Retention Rights**. Nothing in the Plan or in any right or Award granted under the Plan shall confer upon the Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Parent or Subsidiary employing or retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without cause.

(c) **Treatment as Compensation**. Any compensation that an individual earns or is deemed to earn under this Plan shall not be considered a part of his or her compensation for purposes of calculating contributions, accruals or benefits under any other plan or program that is maintained or funded by the Company, a Parent or a Subsidiary.

(d) **Governing Law**. The Plan and all awards, sales and grants under the Plan shall be governed by, and construed in accordance with, the laws of the State of Delaware (except its choice-of-law provisions), as such laws are applied to contracts entered into and performed in such State.

(e) **Conditions and Restrictions on Shares**. Shares issued under the Plan shall be subject to such forfeiture conditions, rights of repurchase, rights of first refusal, other transfer restrictions and such other terms and conditions as the Board of Directors may determine. Such

conditions and restrictions shall be set forth in the applicable Award Agreement and shall apply in addition to any restrictions that may apply to holders of Shares generally. In addition, Shares issued under the Plan shall be subject to conditions and restrictions imposed either by applicable law or by Company policy, as adopted from time to time, designed to ensure compliance with applicable law or laws with which the Company determines in its sole discretion to comply including in order to maintain any statutory, regulatory or tax advantage, which (for avoidance of doubt) need not be set forth in the applicable Award Agreement.

(f) **Tax Matters**.

(i) As a condition to the award, grant, issuance, vesting, purchase, exercise, settlement or transfer of any Award, or Shares issued pursuant to any Award, granted under this Plan, the Participant shall make such arrangements as the Board of Directors may require or permit for the satisfaction of any federal, state, local or foreign withholding tax obligations that may arise in connection with such event.

(ii) Unless otherwise expressly set forth in an Award Agreement, it is intended that Awards shall be exempt from Code Section 409A, and any ambiguity in the terms of an Award Agreement and the Plan shall be interpreted consistently with this intent. To the extent an Award is not exempt from Code Section 409A (any such award, a "**409A Award**"), any ambiguity in the terms of such Award and the Plan shall be interpreted in a manner that to the maximum extent permissible supports the Award's compliance with the requirements of that statute. Notwithstanding anything to the contrary permitted under the Plan, in no event shall a modification of an Award not already subject to Code Section 409A, or any subsequent action taken with respect to such Award, be given effect if such modification or action would cause the Award to become subject to Code Section 409A unless the parties explicitly acknowledge and consent to the modification or action as one having that effect. A 409A Award shall be subject to such additional rules and requirements as specified by the Board of Directors from time to time in order for it to comply with the requirements of Code Section 409A. In this regard, if any amount under a 409A Award is payable upon a "separation from service" to an individual who is considered a "specified employee" (as each term is defined under Code Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the Participant's separation from service or (ii) the Participant's death, but only to the extent such delay is necessary to prevent such payment from being subject to Section 409A(a)(1). In addition, if a transaction subject to Section 9(b) constitutes a payment event with respect to any 409A Award, then the transaction with respect to such award must also constitute a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Code Section 409A.

(iii) Neither the Company nor any member of the Board of Directors shall have any liability to a Participant in the event an Award held by the Participant fails to achieve its intended characterization under applicable tax law.

SECTION 11. DURATION AND AMENDMENTS; STOCKHOLDER APPROVAL.

(a) **Term of the Plan**. The Plan, as set forth herein, shall become effective on the date of its adoption by the Board of Directors, subject to approval of the Company's stockholders under Subsection (d) below. The Plan shall terminate automatically 10 years after the later of (i) the date when the Board of Directors adopted the Plan or (ii) the date when the Board of Directors approved the most recent increase in the number of Shares reserved under Section 4 that was also approved by the Company's stockholders. The Plan may be terminated on any earlier date pursuant to Subsection (b) below.

(b) **Right to Amend or Terminate the Plan**. Subject to Subsection (d) below, the Board of Directors may amend, suspend or terminate the Plan at any time and for any reason.

(c) **Effect of Amendment or Termination**. No Shares shall be issued or sold and no Award granted under the Plan after the termination thereof, except upon exercise or settlement of an Award granted under the Plan prior to such termination. Except as expressly provided in Section 6(k) above, the termination of the Plan, or any amendment thereof, shall not affect any Share previously issued or any Award previously granted under the Plan.

(d) **Stockholder Approval**. To the extent required by applicable law, the Plan will be subject to approval of the Company's stockholders within 12 months of its adoption date. An amendment of the Plan will be subject to the approval of the Company's stockholders only to the extent required by applicable laws, regulations or rules.

SECTION 12. DEFINITIONS.

(a) "**Award**" means any award granted under the Plan, including as an Option, an award of Restricted Stock Units or the grant or sale of Shares pursuant to Section 5 of the Plan.

(b) "**Award Agreement**" means a Restricted Stock Unit Agreement, Stock Grant Agreement, Stock Option Agreement or Stock Purchase Agreement or such other agreement evidencing an Award under the Plan.

(c) "**Board of Directors**" means the Board of Directors of the Company, as constituted from time to time.

(d) "**Code**" means the Internal Revenue Code of 1986, as amended.

(e) "**Committee**" means a committee of the Board of Directors, as described in Section 2(a).

(f) "**Company**" means PepGen Inc., a Delaware corporation.

(g) "**Consultant**" means a person, excluding Employees and Outside Directors, who performs bona fide services for the Company, a Parent[2] or a Subsidiary as a consultant or advisor and who qualifies as a consultant or advisor under Rule 701(c)(1) of the Securities Act or under Instruction A.1. (a)(1) of Form S-8 under the Securities Act.

2 Note that special considerations apply if the Company proposes to grant awards to consultant or advisor of a Parent company.

(h) "**Date of Grant**" means the date of grant specified in the Award Agreement, which date shall be the later of (i) the date on which the Board of Directors resolved to grant the Award or (ii) the first day of the Participant's Service.

(i) "**Disability**" means that the Optionee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment.

(j) "**Employee**" means any individual who is a common-law employee of the Company, a Parent[3] or a Subsidiary.

(k) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

(l) "**Exercise Price**" means the amount for which one Share may be purchased upon exercise of an Option, as specified by the Board of Directors in the applicable Stock Option Agreement.

(m) "**Fair Market Value**" means the fair market value of a Share, as determined by the Board of Directors in good faith. Such determination shall be conclusive and binding on all persons.

(n) "**Grantee**" means a person to whom the Board of Directors has awarded Shares under the Plan.

(o) "**ISO**" means an Option that qualifies as an incentive stock option as described in Code Section 422(b). Notwithstanding its designation as an ISO, an Option that does not qualify as an ISO under applicable law shall be treated for all purposes as an NSO.

(p) "**NSO**" means an Option that does not qualify as an incentive stock option as described in Code Section 422(b) or 423(b).

(q) "**Option**" means an ISO or NSO granted under the Plan and entitling the holder to purchase Shares.

(r) "**Optionee**" means a person who holds an Option.

(s) "**Outside Director**" means a member of the Board of Directors who is not an Employee.

(t) "**Parent**" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, if each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

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[3] Note that special considerations apply if the Company proposes to grant awards to an Employee of a Parent company.

(u) "**Participant**" means the holder of an outstanding Award.

(v) "**Plan**" means this PepGen Inc. 2020 Stock Plan.

(w) "**Purchase Price**" means the consideration for which one Share may be acquired under the Plan (other than upon exercise of an Option), as specified by the Board of Directors.

(x) "**Purchaser**" means a person to whom the Board of Directors has offered the right to purchase Shares under the Plan (other than upon exercise of an Option).

(y) "**Restricted Stock Unit**" means a bookkeeping entry representing the equivalent of one Share, as awarded under the Plan.

(z) "**Restricted Stock Unit Agreement**" means the agreement between the Company and the recipient of a Restricted Stock Unit that contains the terms, conditions and restrictions pertaining to such Restricted Stock Unit.

(aa) "**Securities Act**" means the Securities Act of 1933, as amended.

(bb) "**Service**" means service as an Employee, Outside Director or Consultant. In case of any dispute as to whether and when Service has terminated, the Board of Directors shall have sole discretion to determine whether such termination has occurred and the effective date of such termination.

(cc) "**Share**" means one share of Stock, as adjusted in accordance with Section 9 (if applicable).

(dd) "**Stock**" means the Class A Common Stock of the Company.

(ee) "**Stock Grant Agreement**" means the agreement between the Company and a Grantee who is awarded Shares under the Plan that contains the terms, conditions and restrictions pertaining to the award of such Shares.

(ff) "**Stock Option Agreement**" means the agreement between the Company and an Optionee that contains the terms, conditions and restrictions pertaining to the Optionee's Option.

(gg) "**Stock Purchase Agreement**" means the agreement between the Company and a Purchaser who purchases Shares under the Plan that contains the terms, conditions and restrictions pertaining to the purchase of such Shares.

(hh) "**Subsidiary**" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total

combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

EXHIBIT A

SCHEDULE OF SHARES RESERVED FOR ISSUANCE UNDER THE PLAN

Date of Board Approval	Date of Stockholder Approval	Number of Shares Added	Cumulative Number of Shares
November 23, 2020	November 23, 2020	Not Applicable	39,239
November 24, 2020	November 24, 2020	10-for-1 forward stock split	392,391
March 22, 2021		462,685	855,076
July 30, 2021		855,076	2,396,882

PEPGEN INC. 2020 STOCK PLAN

NOTICE OF STOCK OPTION GRANT (EARLY EXERCISE)

The Optionee has been granted the following option to purchase shares of the Class A Common Stock of PepGen Inc. (the "**Company**"):

Name of Optionee:	«Name»
Total Number of Shares:	«TotalShares»
Type of Option:	«ISO» Incentive Stock Option (ISO) «NSO» Nonstatutory Stock Option (NSO)
Exercise Price per Share:	$«PricePerShare»
Date of Grant:	«DateGrant»
Date Exercisable:	This option may be exercised at any time after the Date of Grant for all or any part of the Shares subject to this option.
Vesting Commencement Date:	«VestComDate»
Vesting Schedule:	This option shall vest, and the Right of Repurchase shall lapse, with respect to the first «Percent»% of the Shares subject to this option when the Optionee completes «CliffPeriod» months of continuous Service beginning with the Vesting Commencement Date set forth above. This option shall vest, and the Right of Repurchase shall lapse, with respect to an additional «Fraction»% of the Shares subject to this option when the Optionee completes each month of continuous Service thereafter.
Expiration Date:	«ExpDate». This option expires earlier if the Optionee's Service terminates earlier, as provided in Section 6 of the Stock Option Agreement, or if the Company engages in certain corporate transactions, as provided in Section 9 of the Plan.

By signing below or otherwise accepting this option in a manner acceptable to the Company, the Optionee and the Company agree that this option is granted under, and governed by the terms and conditions of, this Notice of Stock Option Grant, the 2020 Stock Plan and the Stock Option Agreement. Both of the latter documents are attached to, and made a part of, this Notice of Stock Option Grant. Capitalized terms not otherwise defined herein or in the Stock Option Agreement shall have the meanings set forth in the Plan. **Section 15 of the Stock Option Agreement includes important acknowledgements of the Optionee**.

OPTIONEE:

_____

PEPGEN INC.

By: _____

Title: _____

THE OPTION GRANTED PURSUANT TO THE NOTICE OF STOCK OPTION GRANT AND THIS AGREEMENT AND THE SHARES ISSUABLE UPON THE EXERCISE THEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED.

PEPGEN INC. 2020 STOCK PLAN:
STOCK OPTION AGREEMENT (EARLY EXERCISE)

SECTION 1. GRANT OF OPTION.

(a) **Option**. On the terms and conditions set forth in the Notice of Stock Option Grant, this Agreement and the Plan, the Company has granted to the Optionee on the Date of Grant the option to purchase at the Exercise Price the number of Shares set forth in the Notice of Stock Option Grant. The Exercise Price is agreed to be at least 100% of the Fair Market Value per Share on the Date of Grant (110% of Fair Market Value if this option is designated as an ISO in the Notice of Stock Option Grant and Section 3(b) of the Plan applies). This option is intended to be an ISO or an NSO, as provided in the Notice of Stock Option Grant.

(b) **$100,000 Limitation**. Even if this option is designated as an ISO in the Notice of Stock Option Grant, it shall be deemed to be an NSO to the extent (and only to the extent) required by the $100,000 annual limitation under Section 422(d) of the Code.

(c) **Stock Plan and Defined Terms**. This option is granted pursuant to the Plan, a copy of which the Optionee acknowledges having received. The provisions of the Plan are incorporated into this Agreement by this reference. Except as otherwise defined in this Agreement (including without limitation Section 16 hereof), capitalized terms shall have the meaning ascribed to such terms in the Plan.

SECTION 2. RIGHT TO EXERCISE.

(a) **Exercisability**. Subject to Subsection (b) below and the other conditions set forth in this Agreement, all or part of this option may be exercised prior to its expiration at the time or times set forth in the Notice of Stock Option Grant. Shares purchased by exercising this option may be subject to the Right of Repurchase under Section 7.

(b) **Stockholder Approval**. Any other provision of this Agreement notwithstanding, no portion of this option shall be exercisable at any time prior to the approval of the Plan by the Company's stockholders.

SECTION 3. NO TRANSFER OR ASSIGNMENT OF OPTION.

Except as otherwise provided in or pursuant to this Agreement or the Plan, this option and the rights and privileges conferred hereby shall not be sold, pledged or otherwise transferred (whether by operation of law or otherwise) and shall not be subject to sale under execution, attachment, levy or similar process.

SECTION 4. EXERCISE PROCEDURES.

(a) **Notice of Exercise**. The Optionee or the Optionee's representative may exercise this option by: (i) signing and delivering written notice (on a form prescribed by the Company) to the Company pursuant to Section 14(c) specifying the election to exercise this option, the number of Shares for which it is being exercised and the form of payment, (ii) if requested by the Company, executing and delivering such stockholders agreements as apply to the holders of the Company's preferred stock (including, without limitation, any right of first refusal and co-sale agreement and/or voting agreement of the Company) and (iii) delivering payment, in a form permissible under Section 5, for the full amount of the Purchase Price (together with any applicable withholding taxes under Subsection (b)). In the event that this option is being exercised by the representative of the Optionee, the notice shall be accompanied by proof (satisfactory to the Company) of the representative's right to exercise this option. In the event of a partial exercise of this option, Shares shall be deemed to have been purchased in the order in which they vest in accordance with the Notice of Stock Option Grant.

(b) **Withholding Taxes**. In the event that the Company determines that it is required to withhold any tax (including without limitation any income tax, social insurance contributions, payroll tax, payment on account or other tax-related items arising in connection with the Optionee's participation in the Plan and legally applicable to the Optionee (the "**Tax-Related Items**")) as a result of the grant, vesting or exercise of this option, or as a result of the vesting or transfer of shares acquired upon exercise of this option, the Optionee, as a condition of this option, shall make arrangements satisfactory to the Company to enable it to satisfy all Tax-Related Items. The Optionee acknowledges that the responsibility for all Tax-Related Items is the Optionee's and may exceed the amount actually withheld by the Company (or its affiliate or agent).

(c) **Issuance of Shares**. After satisfying all requirements for exercise of this option, the Company shall cause to be issued one or more certificates evidencing, or electronic notation representing, the Shares for which this option has been exercised. Such Shares shall be registered (i) in the name of the person exercising this option, (ii) in the names of such person and his or her spouse as community property or as joint tenants with the right of survivorship or (iii) with the Company's consent, in the name of a revocable trust. Until the issuance of the Shares has been entered into the books and records of the Company or a duly authorized transfer agent of the Company, no right to vote, receive dividends or any other right as a stockholder will exist with respect to such Shares. In the case of Restricted Shares, the Company shall cause any certificates evidencing such Shares to be deposited in escrow under Section 7(c). In the case of other Shares, the Company shall cause any certificates evidencing such Shares to be delivered to or upon the order of the person exercising this option.

SECTION 5. PAYMENT FOR STOCK.

(a) **Cash**. All or part of the Purchase Price may be paid in cash or cash equivalents or pursuant to a form of electronic funds transfer acceptable to the Company.

(b) **Surrender of Stock**. At the discretion of the Board of Directors, all or any part of the Purchase Price may be paid by surrendering, or attesting to the ownership of, Shares that are already owned by the Optionee. Such Shares shall be surrendered to the Company in good form for transfer and shall be valued at their Fair Market Value as of the date when this option is exercised.

(c) **Cashless Exercise**. All or part of the Purchase Price and any withholding taxes may be paid by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Shares and to deliver all or part of the sales proceeds to the Company. However, payment pursuant to the preceding sentence shall be permitted only if (i) Stock then is publicly traded and (ii) such payment does not violate applicable law. At the discretion of the Board of Directors, all or part of the Purchase Price and any withholding taxes may be paid pursuant to another cashless exercise arrangement established by the Company.

SECTION 6. TERM AND EXPIRATION.

(a) **Basic Term**. This option shall in any event expire on the expiration date set forth in the Notice of Stock Option Grant, which date is 10 years after the Date of Grant (five years after the Date of Grant if this option is designated as an ISO in the Notice of Stock Option Grant and Section 3(b) of the Plan applies).

(b) **Termination of Service (Except by Death)**. If the Optionee's Service terminates for any reason other than death, then this option shall expire on the earliest of the following occasions:

(i) The expiration date determined pursuant to Subsection (a) above;

(ii) The date three months after the termination of the Optionee's Service for any reason other than Disability; or

(iii) The date six months after the termination of the Optionee's Service by reason of Disability.

The Optionee may exercise all or part of this option at any time before its expiration under the preceding sentence, but only to the extent that this option had become vested before the Optionee's Service terminated or becomes vested as a result of such termination. In the event that the Optionee dies after termination of Service but before the expiration of this option, all or part of this option may be exercised (prior to expiration) by the executors or administrators of the Optionee's estate or by any person who has acquired this option directly from the Optionee by beneficiary designation, bequest or inheritance, but only to the extent that this option had become vested before the Optionee's Service terminated or becomes vested as a result of such termination. Once this option (or portion thereof) has terminated, the Optionee shall have no further rights with respect to the option (or portion thereof) or to the underlying Shares.

(c) **Death of the Optionee**. If the Optionee dies while in Service, then this option shall expire on the earlier of the following dates:

(i) The expiration date determined pursuant to Subsection (a) above; or

(ii) The date 12 months after the Optionee's death.

All or part of this option may be exercised at any time before its expiration under the preceding sentence by the executors or administrators of the Optionee's estate or by any person who has acquired this option directly from the Optionee by beneficiary designation, bequest or inheritance, but only to the extent that this option had become vested before the Optionee's death or becomes vested as a result of the Optionee's death. Once this option (or portion thereof) has terminated, the Optionee shall have no further rights with respect to the option (or portion thereof) or to the underlying Shares.

(d) **Additional Vesting After Termination of Service**. The period of time beginning on the date that the Optionee's Service terminates or the date that the Optionee dies while in Service and ending on the earliest of the occasions determined pursuant to Subsections (b) or (c) above, as applicable, is referred to as the "**post-termination exercise period**". To the extent this option is not fully vested on the date the Optionee's Service terminates or the date that the Optionee dies while in Service, the Board of Directors may, during the post-termination exercise period, take action to cause this option to become vested (in whole or in part). In no event will this option become vested after termination of the Optionee's Service or death unless the Board of Directors takes affirmative action pursuant to the preceding sentence or unless expressly provided in a written agreement between the Company and the Optionee. In this regard, any provision of this Agreement or another agreement that provides for vesting upon an event (including, without limitation, a change in control) will be deemed to require Service through the occurrence of such event unless the agreement clearly provides otherwise.

(e) **Extension of Post-Termination Exercise Periods**. Following the date on which the Company's Stock is first listed for trading on an established securities market, if during any part of the exercise period described in Subsections (b)(ii) or (iii) or Subsection (c)(ii) above the exercise of this option would be prohibited solely because the issuance of Shares upon such exercise would violate the registration requirements under the Securities Act or a similar provision of other applicable law, then instead of terminating at the end of such prescribed period, the then-vested portion of this option will instead remain outstanding and not expire until the earlier of (i) the expiration date determined pursuant to Section 6(a) above or (ii) the date on which the then-vested portion of this option has been exercisable without violation of applicable law for the aggregate period (which need not be consecutive) after termination of the Optionee's Service specified in the applicable Subsection above.

(f) **Part-Time Employment and Leaves of Absence**. If the Optionee commences working on a part-time basis, then the Company may adjust the vesting schedule set

forth in the Notice of Stock Option Grant. If the Optionee goes on a leave of absence, then, to the extent permitted by applicable law, the Company may adjust or suspend the vesting schedule set forth in the Notice of Stock Option Grant. Except as provided in the preceding sentence, Service shall be deemed to continue for any purpose under this Agreement while the Optionee is on a *bona fide* leave of absence approved by the Company in writing. Service shall be deemed to terminate when such leave ends, unless the Optionee immediately returns to active work when such leave ends.

(g) **Notice Concerning ISO Treatment**. Even if this option is designated as an ISO in the Notice of Stock Option Grant, it ceases to qualify for favorable tax treatment as an ISO to the extent that it is exercised:

(i) More than three months after the date when the Optionee ceases to be an Employee for any reason other than death or permanent and total disability (as defined in Section 22(e)(3) of the Code);

(ii) More than 12 months after the date when the Optionee ceases to be an Employee by reason of permanent and total disability (as defined in Section 22(e)(3) of the Code); or

(iii) More than three months after the date when the Optionee has been on a leave of absence for three months, unless the Optionee's reemployment rights following such leave were guaranteed by statute or by contract.

SECTION 7. RIGHT OF REPURCHASE.

(a) **Scope of Repurchase Right**. Until they vest in accordance with the Notice of Stock Option Grant and Subsection (b) below, the Shares acquired under this Agreement shall be Restricted Shares and shall be subject to the Company's Right of Repurchase. The Company, however, may decline to exercise its Right of Repurchase or may exercise its Right of Repurchase only with respect to a portion of the Restricted Shares. The Company may exercise its Right of Repurchase only during the Repurchase Period following the termination of the Optionee's Service, but the Right of Repurchase may be exercised automatically under Subsection (d) below. If the Right of Repurchase is exercised, the Company shall pay the Optionee an amount equal to the lower of (i) the Exercise Price of each Restricted Share being repurchased or (ii) the Fair Market Value of such Restricted Share at the time the Right of Repurchase is exercised.

(b) **Lapse of Repurchase Right**. The Right of Repurchase shall lapse with respect to the Restricted Shares in accordance with the vesting schedule set forth in the Notice of Stock Option Grant.

(c) **Escrow**. Upon issuance, any certificate(s) for Restricted Shares shall be deposited in escrow with the Company to be held in accordance with the provisions of this Agreement. Any additional or exchanged securities or other property described in Subsection (f) below shall immediately be delivered to the Company to be held in escrow. All ordinary cash dividends on Restricted Shares (or on other securities held in escrow) shall be paid directly to the Optionee and shall not be held in escrow. Restricted Shares, together with any other assets held in escrow under this Agreement, shall be (i) surrendered to the Company for repurchase upon exercise of the Right of

Repurchase or the Right of First Refusal or (ii) if held in escrow, released to the Optionee upon his or her request to the extent that the Shares have ceased to be Restricted Shares (but not more frequently than once every six months). In any event, all Shares that have ceased to be Restricted Shares, together with any other vested assets held in escrow under this Agreement, shall be released within 90 days after the earlier of (i) the termination of the Optionee's Service or (ii) the lapse of the Right of First Refusal.

(d) **Exercise of Repurchase Right**. The Company shall be deemed to have exercised its Right of Repurchase automatically for all Restricted Shares as of the commencement of the Repurchase Period, unless the Company during the Repurchase Period notifies the holder of the Restricted Shares pursuant to Section 14(c) that it will not exercise its Right of Repurchase for some or all of the Restricted Shares. The Company shall pay to the holder of the Restricted Shares the purchase price determined under Subsection (a) above for the Restricted Shares being repurchased. Payment shall be made in cash or cash equivalents and/or by canceling indebtedness to the Company incurred by the Optionee in the purchase of the Restricted Shares. If the Restricted Shares being repurchased are represented by certificate(s), any such certificate(s) shall be delivered to the Company. If the Restricted Shares being repurchased are not represented by certificate, the repurchase shall be effected by an appropriate book entry on the stock ledger for the Shares.

(e) **Termination of Rights as Stockholder**. If the Right of Repurchase is exercised in accordance with this Section 7 and the Company makes available the consideration for the Restricted Shares being repurchased, then the person from whom the Restricted Shares are repurchased shall no longer have any rights as a holder of the Restricted Shares (other than the right to receive payment of such consideration). Such Restricted Shares shall be deemed to have been repurchased pursuant to this Section 7, whether or not any certificate(s) for such Restricted Shares have been delivered to the Company or the consideration for such Restricted Shares has been accepted.

(f) **Additional or Exchanged Securities and Property**. In the event of a merger or consolidation of the Company, a sale of all or substantially all of the Company's stock or assets, any other corporate reorganization, a stock split, the declaration of a stock dividend, the declaration of an extraordinary dividend payable in a form other than stock, a spin-off, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities, any securities or other property (including cash or cash equivalents) that are by reason of such transaction exchanged for, or distributed with respect to, any Restricted Shares shall immediately be subject to the Right of Repurchase. Appropriate adjustments to reflect the exchange or distribution of such securities or property shall be made to the number and/or class of the Restricted Shares. Appropriate adjustments shall also be made to the price per share to be paid upon the exercise of the Right of Repurchase, provided that the aggregate purchase price payable for the Restricted Shares shall remain the same. In the event of any transaction described in Section 9(b) of the Plan or any other corporate reorganization, the Right of Repurchase may be exercised by the Company's successor.

(g) **Transfer of Restricted Shares**. The Optionee shall not transfer, assign, encumber or otherwise dispose of any Restricted Shares without the Company's written consent, except as provided in the following sentence. The Optionee may transfer Restricted Shares to one or more members of the Optionee's Immediate Family or to a trust or other entity established by

the Optionee solely for the benefit of the Optionee and/or one or more members of the Optionee's Immediate Family, provided in either case that the Transferee agrees in writing on a form prescribed by the Company to be bound by all provisions of this Agreement. If the Optionee transfers any Restricted Shares, then this Agreement shall apply to the Transferee to the same extent as to the Optionee.

(h) **Assignment of Repurchase Right**. The Board of Directors may freely assign the Company's Right of Repurchase, in whole or in part. Any person who accepts an assignment of the Right of Repurchase from the Company shall be entitled to and assume all of the Company's rights and obligations under this Section 7.

SECTION 8. RIGHT OF FIRST REFUSAL.

(a) **Right of First Refusal**. In the event that the Optionee proposes to sell, pledge or otherwise transfer to a third party any Shares acquired under this Agreement, or any interest in such Shares, the Company shall have the Right of First Refusal with respect to all (and not less than all) of such Shares. If the Optionee desires to transfer Shares acquired under this Agreement, the Optionee shall give a written Transfer Notice to the Company describing fully the proposed transfer, including the number of Shares proposed to be transferred, the proposed transfer price, the name and address of the proposed Transferee and proof satisfactory to the Company that the proposed sale or transfer will not violate any applicable federal, State or foreign securities laws. The Transfer Notice shall be signed both by the Optionee and by the proposed Transferee and must constitute a binding commitment of both parties to the transfer of the Shares. The Company shall have the right to purchase all, and not less than all, of the Shares on the terms of the proposal described in the Transfer Notice (subject, however, to any change in such terms permitted under Subsection (b) below) by delivery of a notice of exercise of the Right of First Refusal within 30 days after the date when the Transfer Notice was received by the Company.

(b) **Transfer of Shares**. If the Company fails to exercise its Right of First Refusal within 30 days after the date when it received the Transfer Notice, the Optionee may, not later than 90 days following receipt of the Transfer Notice by the Company, conclude a transfer of the Shares subject to the Transfer Notice on the terms and conditions no less favorable to the Optionee than those described in the Transfer Notice, provided that any such sale is made in compliance with applicable federal, State and foreign securities laws and not in violation of any other contractual restrictions to which the Optionee is bound. Any proposed transfer on terms and conditions less favorable than those described in the Transfer Notice, as well as any subsequent proposed transfer by the Optionee, shall again be subject to the Right of First Refusal and shall require compliance with the procedure described in Subsection (a) above. If the Company exercises its Right of First Refusal, the parties shall consummate the sale of the Shares on the terms set forth in the Transfer Notice within 60 days after the date when the Company received the Transfer Notice (or within such longer period as may have been specified in the Transfer Notice); provided, however, that in the event the Transfer Notice provided that payment for the Shares was to be made in a form other than cash or cash equivalents paid at the time of transfer, the Company shall have the option of paying for the Shares with cash or cash equivalents equal to the present value of the consideration described in the Transfer Notice.

(c) **Additional or Exchanged Securities and Property**. In the event of a merger or consolidation of the Company, a sale of all or substantially all of the Company's stock or assets, any other corporate reorganization, a stock split, the declaration of a stock dividend, the declaration of an extraordinary dividend payable in a form other than stock, a spin-off, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities, any securities or other property (including cash or cash equivalents) that are by reason of such transaction exchanged for, or distributed with respect to, any Shares subject to this Section 8 shall immediately be subject to the Right of First Refusal. Appropriate adjustments to reflect the exchange or distribution of such securities or property shall be made to the number and/or class of the Shares subject to this Section 8.

(d) **Termination of Right of First Refusal**. Any other provision of this Section 8 notwithstanding, in the event that the Stock is readily tradable on an established securities market when the Optionee desires to transfer Shares, the Company shall have no Right of First Refusal, and the Optionee shall have no obligation to comply with the procedures prescribed by Subsections (a) and (b) above.

(e) **Permitted Transfers**. This Section 8 shall not apply to (i) a transfer by beneficiary designation, will or intestate succession or (ii) a transfer to one or more members of the Optionee's Immediate Family or to a trust or other entity established by the Optionee solely for the benefit of the Optionee and/or one or more members of the Optionee's Immediate Family, provided in either case that the Transferee agrees in writing on a form prescribed by the Company to be bound by all provisions of this Agreement. If the Optionee transfers any Shares acquired under this Agreement, either under this Subsection (e) or after the Company has failed to exercise the Right of First Refusal, then this Agreement shall apply to the Transferee to the same extent as to the Optionee.

(f) **Termination of Rights as Stockholder**. If the Company makes available, at the time and place and in the amount and form provided in this Agreement, the consideration for the Shares to be purchased in accordance with this Section 8, then after such time the person from whom such Shares are to be purchased shall no longer have any rights as a holder of such Shares (other than the right to receive payment of such consideration in accordance with this Agreement). Such Shares shall be deemed to have been purchased in accordance with the applicable provisions hereof, whether or not any certificate(s) therefor have been delivered as required by this Agreement.

(g) **Assignment of Right of First Refusal**. The Board of Directors may freely assign the Company's Right of First Refusal, in whole or in part. Any person who accepts an assignment of the Right of First Refusal from the Company shall be entitled to and assume all of the Company's rights and obligations under this Section 8.

SECTION 9. LEGALITY OF INITIAL ISSUANCE.

No Shares shall be issued upon the exercise of this option unless and until the Company has determined that:

(a) It and the Optionee have taken any actions required to register the Shares under the Securities Act or to perfect an exemption from the registration requirements thereof;

(b) Any applicable listing requirement of any stock exchange or other securities market on which Stock is listed has been satisfied; and

(c) Any other applicable provision of federal, State or foreign law has been satisfied.

SECTION 10. NO REGISTRATION RIGHTS.

The Company may, but shall not be obligated to, register or qualify the sale of Shares under the Securities Act or any other applicable law. The Company shall not be obligated to take any affirmative action in order to cause the sale of Shares under this Agreement to comply with any law.

SECTION 11. RESTRICTIONS ON TRANSFER OF SHARES.

(a) **General Restrictions**. Unless the Stock is readily tradeable on an established securities market, the transfer of any of the Shares acquired pursuant to this Agreement (or any interest therein) shall, at the Company's request, be conditioned upon (i) effecting such transfer pursuant to a form of stock transfer agreement prescribed by the Company and (ii) payment of a transfer fee not to exceed $5,000.

(b) **Securities Law Restrictions**. Regardless of whether the offer and sale of Shares under the Plan have been registered under the Securities Act or have been registered or qualified under the securities laws of any State or other relevant jurisdiction, the Company at its discretion may impose restrictions upon the sale, pledge or other transfer of such Shares (including the placement of appropriate legends on the stock certificates (or electronic equivalent) or the imposition of stop-transfer instructions) and may refuse (or may be required to refuse) to transfer Shares acquired hereunder (or Shares proposed to be transferred in a subsequent transfer) if, in the judgment of the Company, such restrictions, legends or refusal are necessary or appropriate to achieve compliance with the Securities Act or other relevant securities or other laws, including without limitation under Regulation S of the Securities Act or pursuant to another available exemption from registration.

(c) **Market Stand-Off**. In connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act, including the Company's initial public offering, the Optionee or a Transferee shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Agreement without the prior written consent of the Company or its managing underwriter. Such restriction (the "Market Stand-Off") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Company or such underwriter. In no event, however, shall such period

exceed 180 days plus such additional period as may reasonably be requested by the Company or such underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports or (ii) analyst recommendations and opinions, including (without limitation) the restrictions set forth in Rule 2711(f)(4) of the National Association of Securities Dealers and Rule 472(f)(4) of the New York Stock Exchange, as amended, or any similar successor rules. The Market Stand-Off shall in any event terminate two years after the date of the Company's initial public offering. In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any Shares subject to the Market Stand-Off, or into which such Shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Company may impose stop-transfer instructions with respect to the Shares acquired under this Agreement until the end of the applicable stand-off period. The Company's underwriters shall be beneficiaries of the agreement set forth in this Subsection (b). This Subsection (b) shall not apply to Shares registered in the public offering under the Securities Act.

(d) **Investment Intent at Grant**. The Optionee represents and agrees that the Shares to be acquired upon exercising this option will be acquired for investment, and not with a view to the sale or distribution thereof.

(e) **Investment Intent at Exercise**. In the event that the sale of Shares under the Plan is not registered under the Securities Act but an exemption is available that requires an investment representation or other representation, the Optionee shall represent and agree at the time of exercise that the Shares being acquired upon exercising this option are being acquired for investment, and not with a view to the sale or distribution thereof, and shall make such other representations as are deemed necessary or appropriate by the Company and its counsel, including (if applicable because the Company is relying on Regulation S under the Securities Act) that as of the date of exercise the Optionee is (i) not a U.S. Person; (ii) not acquiring the Shares on behalf, or for the account or benefit, of a U.S. Person; and (iii) is not exercising the option in the United States.

(f) **Legends**. Any certificates (or electronic equivalent) evidencing Shares purchased under this Agreement shall bear the following legend:

"THE SHARES REPRESENTED HEREBY (AND ANY INTEREST THEREIN) MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF, EXCEPT IN COMPLIANCE WITH THE TERMS OF THE STOCK OPTION AGREEMENT PURSUANT TO WHICH SUCH SHARES WERE ACQUIRED. SUCH AGREEMENT GRANTS TO THE COMPANY CERTAIN RIGHTS OF FIRST REFUSAL UPON AN ATTEMPTED TRANSFER OF THE SHARES AND CERTAIN REPURCHASE RIGHTS UPON TERMINATION OF SERVICE WITH THE COMPANY. IN ADDITION, THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFER AS SET FORTH IN SUCH STOCK OPTION AGREEMENT. THE SECRETARY OF THE COMPANY WILL UPON WRITTEN REQUEST FURNISH A COPY OF SUCH STOCK OPTION AGREEMENT TO THE HOLDER HEREOF WITHOUT CHARGE."

Any certificates (or electronic equivalent) evidencing Shares purchased under this Agreement in an unregistered transaction shall bear the following legend (and such other restrictive legends as are required or deemed advisable under the provisions of any applicable law):

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY SECURITIES LAWS OF ANY U.S. STATE, AND MAY NOT BE SOLD, REOFFERED, PLEDGED, ASSIGNED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED. IN THE ABSENCE OF REGISTRATION OR THE AVAILABILITY (CONFIRMED BY OPINION OF COUNSEL) OF AN ALTERNATIVE EXEMPTION FROM REGISTRATION UNDER THE ACT (INCLUDING WITHOUT LIMITATION IN ACCORDANCE WITH REGULATION S UNDER THE ACT), THESE SHARES MAY NOT BE SOLD, REOFFERED, PLEDGED, ASSIGNED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED OF. HEDGING TRANSACTIONS INVOLVING THESE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT."

(g) **Removal of Legends**. If, in the opinion of the Company and its counsel, any legend placed on a stock certificate representing Shares sold under this Agreement is no longer required, the holder of such certificate shall be entitled to exchange such certificate for a certificate representing the same number of Shares but without such legend.

(h) **Administration**. Any determination by the Company and its counsel in connection with any of the matters set forth in this Section 11 shall be conclusive and binding on the Optionee and all other persons.

SECTION 12. DRAG ALONG RIGHT.

(a) **Required Actions**. If the Requisite Parties approve a Sale of the Company, then Optionee hereby agrees with respect to all Shares which the Optionee own(s) or over which the Optionee otherwise exercises voting or dispositive authority:

(i) if such Sale of the Company requires stockholder approval under the Certificate, the Bylaws of the Company or any law, rule or regulation applicable to the Company, to vote (in person, by proxy or by action by written consent, as applicable) such Shares in favor of such Sale of the Company (it being understood that, within five (5) days after the delivery of a proxy or consent solicitation statement (or similar document requesting the consent or approval of stockholders) in respect of any Sale of the Company, the Stockholder shall duly execute and deliver a proxy or consent, as the case may be, in favor of such Sale of the Company);

(ii) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by the Optionee as is being sold by the Selling Holders to the person to whom the Selling Holders propose to sell their Shares;

(iii) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company;

(iv) if the consideration for such Shares pursuant to the Sale of the Company includes any securities, accept in lieu thereof an amount of cash equal to the fair value (as determined in good faith by the Company) of such securities to the extent reasonably necessary (as determined in good faith by the Company) to comply with applicable federal and state securities laws;

(v) if the Selling Holders appoint a stockholder representative (the "**Stockholder Representative**") for matters affecting the stockholders of the Company under the applicable definitive transaction agreements, to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the Company and its related service as the representative of the Stockholders;

(vi) to agree to make representations and warranties and to agree to indemnity and other liability obligations in connection with the Sale of the Company on terms and conditions that, taken as a whole, are no less favorable to Optionee than to other holders of Class A Common Stock of the Company; and

(vii) to execute and deliver all related documentation and take such other action in support of the Sale of the Company, as reasonably requested by the Company, including a written consent, release and/or joinder, and to not take any action inconsistent with the Sale of the Company.

(b) **Exceptions**. Notwithstanding the foregoing, an Optionee will not be required to comply with Subsection (a) above in connection with any Sale of the Company unless (i) each holder of each class or series of the Company's stock will receive the same form of consideration for their shares of such class or series as is received by other holders in respect of their shares of such same class or series of stock and (ii) each holder of Class A Common Stock will receive the same amount of consideration per share of Class A Common Stock as is received by other holders in respect of their shares of Class A Common Stock, subject, in each case, to any "rollover" or similar arrangements provided in the definitive documents relating to such Sale of

the Company. If the consideration to be paid in exchange for the Shares pursuant to such Sale of the Company includes any securities and due receipt thereof by the Optionee would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Optionee of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Optionee in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Optionee, an amount in cash equal to the fair value (as determined in good faith by the Company's Board of Directors or the Requisite Parties, as applicable) of the securities which such Optionee would otherwise receive as of the date of the issuance of such securities in exchange for the Shares.

SECTION 13. ADJUSTMENT OF SHARES.

In the event of any transaction described in Section 9(a) of the Plan, the terms of this option (including, without limitation, the number and kind of Shares subject to this option and the Exercise Price) shall be adjusted as set forth in Section 9(a) of the Plan. In the event that the Company is a party to a merger or consolidation or in the event of a sale of all or substantially all of the Company's stock or assets, this option shall be subject to the treatment provided by the Board of Directors in its sole discretion, as provided in Section 9(b) of the Plan.

SECTION 14. MISCELLANEOUS PROVISIONS.

(a) **Rights as a Stockholder**. Neither the Optionee nor the Optionee's representative shall have any rights as a stockholder with respect to any Shares subject to this option until the Optionee or the Optionee's representative becomes entitled to receive such Shares by filing a notice of exercise and paying the Purchase Price pursuant to Sections 4 and 5.

(b) **No Retention Rights**. Nothing in this option or in the Plan shall confer upon the Optionee any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Parent or Subsidiary employing or retaining the Optionee) or of the Optionee, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without cause.

(c) **Notice**. Any notice required by the terms of this Agreement shall be given in writing. It shall be deemed effective upon (i) personal delivery, (ii) deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, (iii) deposit with Federal Express Corporation, with shipping charges prepaid or (iv) deposit with any internationally recognized express mail courier service, with shipping charges prepaid. Notice shall be addressed to the Company at its principal executive office and to the Optionee at the address that he or she most recently provided to the Company in accordance with this Subsection (c). In addition, to the extent required or permitted pursuant to rules established by the Company from time to time, notices may be delivered electronically.

(d) **Modifications and Waivers**. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by the Optionee and by an authorized officer of the Company (other than the Optionee); provided, however, that a modification that is otherwise favorable to the Optionee (for example, providing the Optionee with additional time to exercise this option after termination of employment or providing for additional forms of payment) but causes this option to lose its tax-favored status (for example, as an ISO) shall not require the consent of the Optionee. No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(e) **Entire Agreement**. The Notice of Stock Option Grant, this Agreement and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof. They supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to the subject matter hereof.

(f) **Choice of Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, as such laws are applied to contracts entered into and performed in such State.

(g) **Severability**. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

(h) **Binding Effect on Transferees, Heirs, Successors and Assigns**. This Agreement shall be binding upon Optionee's permitted transferees, heirs, successors and assigns; provided that for any such transfer to be deemed effective, the transferee shall agree on a form prescribed by the Company to be bound by the terms and conditions of this Agreement, including the restrictions on transfer in Section 11 and the drag along right in Section 12. The Company shall not record any transfer of Shares on its books or issue a new certificate representing any such Shares unless and until such transferee shall have complied with the terms of this Subsection (h).

SECTION 15. ACKNOWLEDGEMENTS OF THE OPTIONEE.

In addition to the other terms, conditions and restrictions imposed on this option and the Shares issuable under this option pursuant to this Agreement and the Plan, the Optionee expressly acknowledges being subject to Sections 7 (Right of Repurchase), 8 (Right of First Refusal), 9 (Legality of Initial Issuance), 11 (Restrictions on Transfer of Shares, including without limitation the Market Stand-Off) and 12 (Drag Along Right), as well as the following provisions:

(a) **Tax Consequences**. The Optionee agrees that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes the Optionee's tax liabilities. The Optionee shall not make any claim against the Company or its Board of Directors, officers or employees related to tax liabilities arising from this

option or the Optionee's other compensation. In particular, any Optionee subject to U.S. taxation acknowledges that this option is exempt from Section 409A of the Code only if the Exercise Price is at least equal to the Fair Market Value per Share on the Date of Grant. Since Shares are not traded on an established securities market, the determination of their Fair Market Value is made by the Board of Directors or by an independent valuation firm retained by the Company. The Optionee acknowledges that there is no guarantee in either case that the Internal Revenue Service will agree with the valuation, and the Optionee shall not make any claim against the Company or its Board of Directors, officers or employees in the event that the Internal Revenue Service asserts that the valuation was too low. In addition, if this option is designated as an ISO, the Optionee acknowledges that there is no guarantee that the option in fact qualifies for incentive stock option treatment or that it will continue to qualify for incentive stock option treatment at the time of exercise. In this regard, the Optionee acknowledges that the Company may take actions that will cause the option to cease to be eligible for incentive stock option treatment and that such actions do not require the Optionee's consent.

(b) **Electronic Delivery of Documents**. The Optionee acknowledges and agrees that the Company may, in its sole discretion, deliver all documents relating to the Company, the Plan or this option and all other documents that the Company is required to deliver to its security holders (including, without limitation, disclosures that may be required by the Securities and Exchange Commission) by email or other means of electronic transmission (including by posting them on a website maintained by the Company or a third party under contract with the Company). The Optionee acknowledges that he or she may incur costs in connection with any such delivery by means of electronic transmission, including the cost of accessing the internet and printing fees, and that an interruption of internet access may interfere with his or her ability to access the documents.

(c) **No Notice of Expiration Date**. The Optionee agrees that the Company and its officers, employees, attorneys and agents do not have any obligation to notify him or her prior to the expiration of this option pursuant to Section 6, regardless of whether this option will expire at the end of its full term or on an earlier date related to the termination of the Optionee's Service. The Optionee further agrees that he or she has the sole responsibility for monitoring the expiration of this option and for exercising this option, if at all, before it expires. This Subsection (c) shall supersede any contrary representation that may have been made, orally or in writing, by the Company or by an officer, employee, attorney or agent of the Company.

(d) **Waiver of Statutory Information Rights**. The Optionee acknowledges and agrees that, upon exercise of this option and until the first sale of the Company's Stock to the general public pursuant to a registration statement filed under the Securities Act, he or she shall waive, and shall be deemed to have waived, any rights the Optionee would otherwise have under Section 220 of the Delaware General Corporation Law (or under similar rights pursuant to any other applicable law) to inspect for any purpose and to make copies and extracts from the Company's stock ledger, a list of its stockholders and its other books and records or the books and records of any subsidiary of the Company (the "**Inspection Rights**"). The Optionee acknowledges and understands that, but for the waiver made herein, the Optionee would be entitled, upon compliance with the procedures set forth in Section 220 of the Delaware General Corporation Law, to Inspection Rights pursuant thereto, and further acknowledges and agrees that the waiver set forth herein is a knowing and voluntary waiver of such rights, that the Optionee has received

sufficient consideration for such waiver and that the Company would not be willing to provide the benefits to the Optionee hereunder without the benefit of such waiver from the Optionee. This waiver applies only in the Optionee's capacity as a stockholder and does not affect any other inspection rights the Optionee may have pursuant to any written agreement with the Company.

(e) **Plan Discretionary**. The Optionee understands and acknowledges that (i) the Plan is entirely discretionary, (ii) the Company and the Optionee's employer have reserved the right to amend, suspend or terminate the Plan at any time, (iii) the grant of an option does not in any way create any contractual or other right to receive additional grants of options (or benefits in lieu of options) at any time or in any amount and (iv) all determinations with respect to any additional grants, including (without limitation) the times when options will be granted, the number of Shares offered, the Exercise Price and the vesting schedule, will be at the sole discretion of the Company.

(f) **Termination of Service**. The Optionee understands and acknowledges that participation in the Plan ceases upon termination of his or her Service for any reason, except as may explicitly be provided otherwise in the Plan or this Agreement.

(g) **Extraordinary Compensation**. The value of this option shall be an extraordinary item of compensation outside the scope of the Optionee's employment contract, if any, and shall not be considered a part of his or her normal or expected compensation for purposes of calculating severance, resignation, redundancy or end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

(h) **Authorization to Disclose**. The Optionee hereby authorizes and directs the Optionee's employer to disclose to the Company or any Subsidiary any information regarding the Optionee's employment, the nature and amount of the Optionee's compensation and the fact and conditions of the Optionee's participation in the Plan, as the Optionee's employer deems necessary or appropriate to facilitate the administration of the Plan.

(i) **Personal Data Authorization**. The Optionee consents to the collection, use and transfer of personal data as described in this Subsection (i). The Optionee understands and acknowledges that the Company, the Optionee's employer and the Company's other Subsidiaries hold certain personal information regarding the Optionee for the purpose of managing and administering the Plan, including (without limitation) the Optionee's name, home address, telephone number, date of birth, social insurance number, salary, nationality, job title, any Shares or directorships held in the Company and details of all options or any other entitlements to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor (the "**Data**"). The Optionee further understands and acknowledges that the Company and/or its Subsidiaries will transfer Data among themselves as necessary for the purpose of implementation, administration and management of the Optionee's participation in the Plan and that the Company and/or any Subsidiary may each further transfer Data to any third party assisting the Company in the implementation, administration and management of the Plan. The Optionee understands and acknowledges that the recipients of Data may be located in the United States or elsewhere. The Optionee authorizes such recipients to receive, possess, use, retain and transfer Data, in electronic or other form, for the purpose of administering the Optionee's participation in the Plan, including a transfer to any broker or other third party with whom the Optionee elects to deposit Shares

acquired under the Plan of such Data as may be required for the administration of the Plan and/or the subsequent holding of Shares on the Optionee's behalf. The Optionee may, at any time, view the Data, require any necessary modifications of Data or withdraw the consents set forth in this Subsection (i) by contacting the Company in writing.

SECTION 16. DEFINITIONS.

(a) "**Agreement**" shall mean this Stock Option Agreement.

(b) "**Board of Directors**" shall mean the Board of Directors of the Company, as constituted from time to time or, if a Committee has been appointed, such Committee.

(c) "**Certificate**" shall mean the Company's amended and restated certificate of incorporation as in effect from time to time.

(d) "**Company**" shall mean PepGen Inc., a Delaware corporation.

(e) "**Immediate Family**" shall mean any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law and shall include adoptive relationships.

(f) "**Optionee**" shall mean the person named in the Notice of Stock Option Grant.

(g) "**Plan**" shall mean the PepGen Inc. 2020 Stock Plan, as in effect on the Date of Grant.

(h) "**Purchase Price**" shall mean the Exercise Price multiplied by the number of Shares with respect to which this option is being exercised.

(i) "**Repurchase Period**" shall mean a period of 90 consecutive days commencing on the date when the Optionee's Service terminates for any reason, including (without limitation) death or disability.

(j) "**Requisite Parties**" shall mean both the Board of Directors and the Selling Holders.

(k) "**Restricted Share**" shall mean a Share that is subject to the Right of Repurchase.

(l) "**Right of First Refusal**" shall mean the Company's right of first refusal described in Section 8.

(m) "**Right of Repurchase**" shall mean the Company's right of repurchase described in Section 7.

(n) "**Sale of the Company**" shall mean: (i) a transaction or series of related transactions in which a person, or a group of related persons, acquires from stockholders of the

Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company (a "**Stock Sale**"), (ii) a sale of all or substantially all of the assets of the Company or (iii) any other transaction that qualifies as a "Liquidation Event" as defined in the Certificate.

(o) "**Selling Holders**" shall mean the holders of a majority of the then-outstanding shares of Class A Common Stock (voting together as a single class and on an as-converted basis).

(p) "**Service**" shall mean service as an Employee, Outside Director or Consultant.

(q) "**Transferee**" shall mean any person to whom the Optionee has directly or indirectly transferred any Share acquired under this Agreement.

(r) "**Transfer Notice**" shall mean the notice of a proposed transfer of Shares described in Section 8.

(s) "**U.S. Person**" shall mean a person described in Rule 902(k) of Regulation S of the Securities Act (or any successor rule or provision), which generally defines a U.S. person as any natural person resident in the United States, any estate of which any executor or administrator is a U.S. Person, or any trust of which of any trustee is a U.S. Person.

PEPGEN INC. 2020 STOCK PLAN
NOTICE OF STOCK OPTION EXERCISE (EARLY EXERCISE)

You must sign this Notice on Page 4 before submitting it to the Company.

OPTIONEE INFORMATION:

Name: _____ Social Security Number: _____

Address: _____ Employee Number: _____

_____ Email Address: _____

OPTION INFORMATION:

Date of Grant: , 20 Type of Stock Option:

Exercise Price per Share: $ ☐ Nonstatutory (NSO)

Total number of shares of Class A Common Stock of PepGen Inc. (the "Company") covered by the option: ☐ Incentive (ISO)

EXERCISE INFORMATION:

Number of shares of Class A Common Stock of the Company for which the option is being exercised now: .
(These shares are referred to below as the "Purchased Shares.")

Total Exercise Price for the Purchased Shares: $

Form of payment enclosed [***check all that apply***]:

☐ Check for $, payable to "PepGen Inc."

☐ Certificate(s) for shares of Class A Common Stock of the Company. These shares will be valued as of the date this notice is received by the Company. [***Requires Company consent.***]

☐ Attestation Form covering shares of Class A Common Stock of the Company. These shares will be valued as of the date this notice is received by the Company. [***Requires Company consent.***]

Name(s) in which the Purchased Shares should be registered [***please review the attached explanation of the available forms of ownership, and then check one box***]*****:

☐ In my name only

☐ In the names of my spouse and myself as community property My spouse's name (if applicable):

☐ In the names of my spouse and myself as community property with the right of survivorship

☐ In the names of my spouse and myself as joint tenants with the right of survivorship

☐ In the name of an eligible revocable trust [***requires Stock Transfer Agreement***]

Full legal name of revocable trust:

_____

_____

_____

*While the Company will register the Purchased Shares in accordance with your instruction, this document does not control or change the nature of the Purchased Shares as community property or separate property. You are advised to consult your own advisor to determine if additional steps or documentation are required in this regard.

REPRESENTATIONS AND ACKNOWLEDGEMENTS OF THE OPTIONEE:

1. I represent and warrant to the Company that I am acquiring and will hold the Purchased Shares for investment for my account only, and not with a view to, or for resale in connection with, any "distribution" of the Purchased Shares within the meaning of the Securities Act of 1933, as amended (the "Securities Act").

2. I understand that my purchase of the Purchased Shares has not been registered under the Securities Act by reason of a specific exemption therefrom and that the Purchased Shares must be held indefinitely, unless they are subsequently registered under the Securities Act or I obtain an opinion of counsel (in form and substance satisfactory to the Company and its counsel) that registration is not required.

3. I acknowledge that the Company is under no obligation to register the Purchased Shares or any sale or transfer thereof.

4. I am aware of Rule 144 under the Securities Act, which permits limited public resales of securities acquired in a non-public offering, subject to the satisfaction of certain conditions. These conditions may include (without limitation) that certain current public information about the issuer be available, that the resale occur only after a holding period required by Rule 144 has been satisfied, that the sale occur through an unsolicited "broker's transaction" and that the amount of securities being sold during any three-month period not exceed specified limitations. I understand that the conditions for resale set forth in Rule 144 have not been satisfied as of the date set forth below and that the Company is not required to take action to satisfy any conditions applicable to it.

5. I will not sell, transfer or otherwise dispose of the Purchased Shares in violation of the Securities Act, the Securities Exchange Act of 1934, or the rules promulgated thereunder, including Rule 144 under the Securities Act.

6. I acknowledge that I have received and had access to such information as I consider necessary or appropriate for deciding whether to invest in the Purchased Shares and that I had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the issuance of the Purchased Shares.

7. I am aware that my investment in the Company is a speculative investment that has limited liquidity and is subject to the risk of complete loss. I am able, without impairing my financial condition, to hold the Purchased Shares for an indefinite period and to suffer a complete loss of my investment in the Purchased Shares.

8. I acknowledge that the Purchased Shares remain subject to the Company's right of first refusal, the drag-along right and the market stand-off (sometimes referred to as the "lock-up") and may remain subject to the Company's right of repurchase, all in accordance with the applicable Notice of Stock Option Grant and Stock Option Agreement. I acknowledge that any transfer of the Purchased Shares may be subject to a transfer fee and must be effected on the Company's form of stock transfer agreement, as further described in the Stock Option Agreement.

9. I acknowledge that I am acquiring the Purchased Shares subject to all other terms of the Notice of Stock Option Grant and Stock Option Agreement.

10. I acknowledge that I have received a copy of the Company's explanation of the forms of ownership available for my Purchased Shares. I acknowledge that the Company has encouraged me to consult my own adviser to determine the form of ownership that is appropriate for me. In the event that I choose to transfer my Purchased Shares to a trust, I agree to sign a Stock Transfer Agreement on a form prescribed by the Company. In the event that I choose to transfer my Purchased Shares to a trust that does not satisfy the requirements described in the attached explanation (i.e., a trust that is not an eligible revocable trust), I also acknowledge that the transfer will be treated as a "disposition" for tax purposes. As a result, the favorable ISO tax treatment will be unavailable and other unfavorable tax consequences may occur.

11. I acknowledge that I have received a copy of the Company's explanation of the federal income tax consequences of an option exercise and the tax election under section 83(b) of the Internal Revenue Code. In the event that I choose to make a section 83(b) election, I acknowledge that it is my responsibility—and not the Company's responsibility—to file the election in a timely manner, even if I ask the Company or its agents to make the filing on my behalf. I acknowledge that the Company has encouraged me to consult my own adviser to determine the tax consequences of acquiring the Purchased Shares at this time.

12. I agree that the Company does not have a duty to design or administer the 2020 Stock Plan or its other compensation programs in a manner that minimizes my tax liabilities. I will not make any claim against the Company or its Board of Directors, officers or employees related to tax liabilities arising from my options or my other compensation. In particular, I acknowledge that my options are exempt from section 409A of the Internal Revenue Code only if the exercise price per share is at least equal to the fair market value per share of the Company's Class A Common Stock at the time the option was granted by the Company's Board of Directors. Since shares of the Company's Class A Common Stock are not traded on an established securities market, the determination of their fair market value was made by the Company's Board of Directors or by an independent valuation firm retained by the Company. I acknowledge that there is no guarantee in either case that the Internal Revenue Service will agree with the valuation, and I will not make any claim against the Company or its Board of Directors, officers or employees in the event that the Internal Revenue Service asserts that the valuation was too low.

13. I agree to seek the consent of my spouse to the extent required by the Company to enforce the foregoing.

14. I consent, with respect to all shares of capital stock of the Company held by me, to receive any notice given by the Company under its certificate of incorporation or bylaws, as the same may be amended and/or restated from time to time, the General Corporation Law of the State of Delaware (the "General Corporation Law") or otherwise, by electronic transmission pursuant to Section 232 of the General Corporation Law at the email address set forth above. I further acknowledge and agree that the Company may rely upon any expressions of my consent to proposed corporate actions received from the email address provided above. I hereby agree to notify the Company of any change to my email

address set forth above, and further agree that the provision of such notice shall constitute my consent to receive notice and to provide my expression of consent as provided herein at such address. In the event that the Company is unable to deliver notice to me at the e-mail address set forth above, I shall, within five (5) days after a request by the Company, provide the Company with a valid e-mail address to which I consent to receive notice and to provide expressions of consent as provided herein.

SIGNATURE: **DATE:**

EXPLANATION OF FORMS OF STOCK OWNERSHIP

PURPOSE OF THIS EXPLANATION

The purpose of this explanation is to provide you with a brief summary of the forms of legal ownership available for the shares that you are purchasing (the "Purchased Shares"). For a number of reasons, this explanation is no substitute for personal legal advice:

- To make the explanation short and readable, only the highlights are covered. Some legal rules are not addressed, even though they may be important in particular cases.
- While the summary attempts to deal with the most common situations, your own situation may well be different from the norm.
- The law may change, and the Company is not responsible for updating this summary.
- The form in which you own your shares may have a *substantial* impact on the estate tax treatment that applies to those shares when you die or the income tax treatment that applies when your survivors sell the shares after your death.

FOR THESE REASONS, THE COMPANY STRONGLY ENCOURAGES YOU TO CONSULT YOUR OWN ADVISER BEFORE EXERCISING YOUR OPTION AND BEFORE MAKING A DECISION ABOUT THE FORM OF OWNERSHIP FOR YOUR SHARES.

OVERVIEW

The Notice of Stock Option Exercise offers five forms of taking title to the Purchased Shares:

- In your name only,
- In your name and the name of your spouse as community property,
- In your name and the name of your spouse as community property with the right of survivorship,
- In your name and the name of your spouse as joint tenants with the right of survivorship, or
- In the name of an eligible revocable trust.

Title in the Purchased Shares depends upon (a) your marital status, (b) the marital property laws of your state of residence and (c) any agreement with your spouse altering the existing marital property laws of your state of residence. If you are not married, you generally will take title in your name alone. If you are married, title depends upon the marital property laws of your state of residence. In general, states are classified either as "community property" states or as "common-law property" states. (But individual state law may vary within these classifications.)

COMMUNITY PROPERTY AND JOINT TENANCY

Community property states include California, Texas, Washington, Arizona, Nevada, New Mexico, Idaho, Louisiana and Wisconsin. In a community property state, property acquired during marriage by either spouse is presumed to be one-half owned by each spouse. All other property is classified as the separate property of the spouse who acquires the property. While either spouse has equal management and control over the community property and may sell, spend or encumber all community property, neither spouse may gift community property or partition his/her one-half interest without the consent of the other spouse. Upon divorce, all community property is divided equally among the spouses and each spouse is entitled to retain all of his/her separate property. Upon the death of a spouse, one-half of the community property (and all of the decedent spouse's separate property) will pass to the decedent spouse's heirs. The other one-half of the community property remains the property of the surviving spouse.

Other states are common-law property states. In a common-law property state, each spouse is generally deemed to own whatever he/she earns or acquires.

A married couple may elect to alter the marital property rules by mutually agreeing to take title to property in other forms. For example, a couple residing in a community property state may generally enter into an agreement and transform what otherwise would be community property into the separate property of the spouse who earns or acquires the property.

In addition, many community property and common-law property states allow married couples to take joint title in property acquired during marriage. For example, California allows a married couple to take title in a joint tenancy with the right of survivorship. In a joint tenancy, each spouse owns a one-half interest in the property as separate property. This means that each spouse may transfer or sell his/her one-half interest in the property while he/she is alive. However, unlike traditional separate property, a spouse cannot transfer his/her one-half interest to heirs at death. Instead, the surviving spouse *automatically* receives the decedent spouse's one-half interest and becomes the full owner of the property. (This is called the "right of survivorship.") Both spouses must consent to taking property in a joint tenancy in lieu of having the community property laws apply.

California also allows a married couple to take title in the shares as community property with the right of survivorship. This means that the shares are treated like community property while both spouses are alive. However, if one spouse dies, then the other spouse automatically receives the decedent spouse's one-half interest and becomes the full owner of the shares. In other words, the decedent spouse's will or trust does *not* control the disposition of the shares.

If you have the Purchased Shares issued in a form other than those described above, then the transfer will be treated as a "disposition" for tax purposes. This means that the effect, for tax purposes, will be the same as selling the Purchased Shares. Please refer to the attached tax summary for additional information.

TRUSTS

A transfer to a trust generally should not be treated as a "disposition" of the Purchased Shares for tax purposes if the trust satisfies each of the following conditions:

- You are the sole grantor of the trust,
- You are the sole trustee, or you and your spouse are the sole co-trustees,
- The trustee or trustees are not required to distribute the income of the trust to any person other than you and/or your spouse while you are alive, and
- The trust permits you to revoke all or part of the trust and to have the trust's assets returned to you, without the consent of any other person (including your spouse).

If you have the Purchased Shares issued to a trust that does not meet these requirements, then the transfer will be treated as a "disposition" for tax purposes. This means that the effect, for tax purposes, will be the same as selling the Purchased Shares. Please refer to the attached tax summary for additional information.

If you have the Purchased Shares issued to any trust, you will be required to sign a Stock Transfer Agreement in your capacity as trustee. Under the Stock Transfer Agreement, the Purchased Shares remain subject to the Company's right of first refusal and may remain subject to the Company's right of repurchase, all in accordance with the applicable Notice of Stock Option Grant and Stock Option Agreement.

THE COMPANY WILL NOT CHECK TO DETERMINE WHETHER THE FORM OF OWNERSHIP THAT YOU ELECT IN YOUR NOTICE OF STOCK OPTION EXERCISE IS APPROPRIATE. YOU SHOULD CONSULT YOUR OWN ADVISERS ON THIS SUBJECT. IF AN INAPPROPRIATE ELECTION IS MADE, THE FORM OF OWNERSHIP MAY NOT WITHSTAND LEGAL SCRUTINY OR MAY HAVE ADVERSE TAX CONSEQUENCES.

EXPLANATION OF FEDERAL INCOME TAX CONSEQUENCES
AND SECTION 83(b) ELECTION
(Current as of January 2020)

PURPOSE OF THIS EXPLANATION

The purpose of this explanation is to provide you with a brief summary of the tax consequences of exercising your option. For a number of reasons, this explanation is no substitute for personal tax advice:

- To make the explanation short and readable, only the highlights are covered. Some tax rules are not addressed, even though they may be important in particular cases.
- While the summary attempts to deal with the most common situations, your own tax situation may well be different from the norm.
- State and foreign income taxes are not addressed at all, even though they could have a significant impact on your tax planning. Likewise, federal gift and estate taxes and state inheritance taxes are not discussed.
- Tax planning involving incentive stock options is exceedingly complex, in part because of the possible application of the alternative minimum tax.
- The explanation assumes that you are paying the exercise price of your option in cash (or in the form of a full-recourse promissory note with an interest rate that meets IRS requirements). If you are paying the exercise price in the form of stock, you become subject to special rules that are not addressed here.
- This explanation assumes that your option is not subject to section 409A of the Internal Revenue Code. However, the Company cannot be certain that section 409A is inapplicable to your option. (Please refer to the last segment of this summary for more information about section 409A.)
- The tax rules change often, and the Company is not responsible for updating this summary. (Please refer to the date at the top of this page.)

FOR THESE REASONS, THE COMPANY STRONGLY ENCOURAGES YOU TO CONSULT YOUR OWN TAX ADVISER BEFORE EXERCISING YOUR OPTION AND BEFORE MAKING A DECISION ABOUT FILING OR NOT FILING A SECTION 83(b) ELECTION.

EXERCISE OF NSO TO PURCHASE VESTED SHARES

The Notice of Stock Option Grant indicates whether your Purchased Shares are already vested. Vested shares are no longer subject to the Company's right to repurchase them, although they are still subject to the Company's right of first refusal. If you know that your Purchased Shares are already vested, there is no need to file a section 83(b) election.

If you are exercising an NSO to purchase vested shares, you generally will be taxed at the time of exercise. You will recognize ordinary income in an amount equal to the excess of (a) the fair market value of the Purchased Shares on the date of exercise over (b) the exercise price you are paying. If you are an employee or former employee of the Company, this amount is subject to withholding for income and payroll taxes. Your tax basis in the Purchased Shares (to calculate capital gain when you sell the shares) is equal to the sum of the exercise price you paid for the Purchased Shares plus any additional amount you recognized as income on the exercise date.

EXERCISE OF NSO TO PURCHASE NON-VESTED SHARES

If you are exercising an NSO to purchase non-vested shares, and if you do not file a timely election under section 83(b) of the Internal Revenue Code, then you will not be taxed at the time of exercise. Instead, you will be taxed whenever an increment of Purchased Shares vests—in other words, when the Company no longer has the right to repurchase those shares. The Notice of Stock Option Grant indicates when this occurs, generally over a period of several years. Whenever an increment of Purchased Shares vests, you will recognize ordinary income in an amount equal to the excess of (a) the fair market value of those Purchased Shares on the date of vesting over (b) the exercise price you are paying for those Purchased Shares. If you are an employee or former employee of the Company, this amount will be subject to withholding for income and payroll taxes. Your tax basis in the Purchased Shares (to calculate capital gain when you sell the shares) will be equal to the sum of the exercise price you paid for the Purchased Shares plus any additional amount you recognized as income on each vesting date.

If you are exercising an NSO to purchase non-vested shares, and if you file a timely election under section 83(b) of the Internal Revenue Code, then you will be taxed at the time of exercise. You will recognize ordinary income in an amount equal to the excess of (a) the fair market value of the Purchased Shares on the date of exercise over (b) the exercise price you are paying. If you are an employee or former employee of the Company, this amount is subject to withholding for income and payroll taxes. Your tax basis in the Purchased Shares (to calculate capital gain when you sell the shares) is equal to the sum of the exercise price you paid for the Purchased Shares plus any additional amount you recognized as income as a result of filing the section 83(b) election. Even if the fair market value of the Purchased Shares on the date of exercise equals the exercise price (and thus no tax is payable), the section 83(b) election must be made in order to avoid having any subsequent appreciation taxed as ordinary income at the time of vesting.

YOU MUST FILE A SECTION 83(b) ELECTION WITH THE INTERNAL REVENUE SERVICE WITHIN 30 DAYS AFTER THE NOTICE OF STOCK OPTION EXERCISE IS SIGNED. The 30-day filing period cannot be extended. If you miss the deadline, you will be taxed as the Purchased Shares vest, based on the value of the shares at that time. (See above.) The form for making the 83(b) election is attached. Additional copies of the form must be filed with the Company.

DISPOSITION OF NSO SHARES

When you dispose of the Purchased Shares, you will recognize a capital gain equal to the excess of (a) the sale proceeds over (b) your tax basis in the Purchased Shares. If the sale proceeds are less than your tax basis, you will recognize a capital loss. The capital gain or loss will be long-term if you held the Purchased Shares for more than 12 months. The holding period normally starts when you exercise your NSO. In general, the maximum marginal federal income tax rate on long-term capital gains is 20% under current law, but lower long-term capital gain rates may apply to certain taxpayers.

Effective January 1, 2013, as a result of the Health Care and Education Reconciliation Act of 2010, an additional Medicare contribution tax is imposed at a rate of 3.8% on the "net investment income" of individuals with adjusted gross incomes in excess of $200,000 ($250,000 in the case of a joint return, and $125,000 in the case of a married taxpayer filing separately). "Net investment income" includes income from interest, dividends, and capital gains, reduced by the deductions properly allocated to such income.

Depending on the level of your adjusted gross income, the additional Medicare contribution tax may be imposed on any short-term and long-term capital gain income and can increase your marginal tax rate.

LIMIT ON ISO TREATMENT

The Notice of Stock Option Grant indicates whether your option is a nonstatutory stock option (NSO) or an incentive stock option (ISO). The favorable tax treatment for ISOs is limited, regardless of what the Notice of Stock Option Grant indicates. Of the options that become exercisable in any calendar year, only options covering the first $100,000 of stock are eligible for ISO treatment. The excess over $100,000 automatically receives NSO treatment. For this purpose, stock is valued at the time of grant. This means that the value is generally equal to the exercise price.

For example, assume that you hold an option to buy 50,000 shares for $4 per share. Assume further that the entire option is exercisable immediately after the date of grant. (It is irrelevant when the underlying stock vests.) Only the first 25,000 shares qualify for ISO treatment. (25,000 times $4 equals $100,000.) The remaining 25,000 shares will be treated as if they had been acquired by exercising an NSO. This is true regardless of when the option is *actually* exercised; what matters is when it first *could* have been exercised.

EXERCISE OF ISO AND ISO HOLDING PERIODS

If you are exercising an ISO, you will not be taxed under the *regular* tax rules until you dispose of the Purchased Shares.[1] (The alternative minimum tax rules are described below.) The tax treatment at the time of disposition depends on how long you hold the shares. You will satisfy the ISO holding periods if you hold the Purchased Shares until the *later* of the following dates:

1 Generally, a "disposition" of shares purchased under an ISO encompasses any transfer of legal title, such as a transfer by sale, exchange or gift. It generally does not include a transfer to your spouse, a transfer into joint ownership with right of survivorship (if you remain one of the joint owners), a pledge, a transfer by bequest or inheritance, or certain tax-free exchanges permitted under the Internal Revenue Code. A transfer to a trust is a "disposition" unless the trust is an eligible revocable trust, as described in the attached explanation.

- More than two years after the ISO was granted, and
- More than one year after the ISO is exercised.

DISPOSITION OF ISO SHARES

If you dispose of the Purchased Shares after satisfying *both* of the ISO holding periods, then you will recognize only a long-term capital gain at the time of disposition. The amount of the capital gain is equal to the excess of (a) the sale proceeds over (b) the exercise price. In general, the maximum marginal federal income tax rate on long-term capital gains is 20% under current law, but lower long-term capital gain rates may apply to certain taxpayers.

Effective January 1, 2013, as a result of the Health Care and Education Reconciliation Act of 2010, an additional Medicare contribution tax is imposed at a rate of 3.8% on the "net investment income" of individuals with adjusted gross incomes in excess of $200,000 ($250,000 in the case of a joint return, and $125,000 in the case of a married taxpayer filing separately). "Net investment income" includes income from interest, dividends, and capital gains, reduced by the deductions properly allocated to such income.

If you dispose of the Purchased Shares before either or both of the ISO holding periods are met, then you will recognize ordinary income at the time of disposition. The calculation of the ordinary income amount depends on whether the shares are vested at the time of exercise.

- **Shares Vested**. If the shares are vested at the time of exercise, the amount of ordinary income will be equal to the excess of (a) the fair market value of the Purchased Shares on the date of exercise over (b) the exercise price. But if the disposition is an arm's length sale to an unrelated party, the amount of ordinary income will not exceed the total gain from the sale. Under current IRS rules, the ordinary income amount will not be subject to withholding for income or payroll taxes. Your tax basis in the Purchased Shares will be equal to the sum of the exercise price you paid for the Purchased Shares plus any additional amount you recognized as ordinary income. Any gain in excess of your basis will be taxed as a capital gain—either long-term or short-term, depending on how long you held the Purchased Shares after the date of exercise.
- **Shares Not Vested**. If the Purchased Shares are not vested at the time of exercise, then the amount of ordinary income will be equal to the excess of (a) the fair market value of the Purchased Shares on the date of *vesting* over (b) the exercise price. But if the disposition is an arm's length sale to an unrelated party, the amount of ordinary income will not exceed the total gain from the sale. Under current IRS rules, the ordinary income amount will not be subject to withholding for income or payroll taxes. Your tax basis in the Purchased Shares will be equal to the sum of the exercise price you paid for the Purchased Shares plus any additional amount you recognized as ordinary income. Any gain in excess of your basis will be taxed as

a capital gain—either long-term or short-term, depending on how long you held the Purchased Shares after the date of vesting. Please note that it makes no difference under the *regular* tax rules whether or not you filed a section 83(b) election at the time you exercised your ISO. In either case, your regular taxable income is measured as of the time of vesting rather than the time of exercise.

SUMMARY OF ALTERNATIVE MINIMUM TAX

The alternative minimum tax (AMT) must be paid to the extent that it exceeds your regular federal income tax for the year. For 2020, the first $197,900 ($98,950 for a married taxpayer filing a separate return) of your alternative minimum taxable income for the year over the allowable exemption amount (see below) is subject to alternative minimum taxation at the rate of 26%. The balance of your alternative minimum taxable income is subject to alternative minimum taxation at the rate of 28%. The dollar thresholds dividing the 26% and 28% rates are indexed for inflation in future years. Your alternative minimum tax base is equal to your alternative minimum taxable income (AMTI) minus your exemption amount.

- **Alternative Minimum Taxable Income**. Your AMTI is equal to your regular taxable income, subject to certain adjustments and increased by items of tax preference. Among the many adjustments made in computing AMTI are the following:
  - State and local income and property taxes are not allowed as a deduction.
  - Certain interest and other deductions are not allowed.
  - When an ISO is exercised, the spread is added to income for AMT purposes. (See discussion below.)
- **Exemption Amount**. Before AMT is calculated, AMTI is reduced by the exemption amount. Under current law, the exemption amount is as follows:

Year:	Joint Returns:	Single Returns:	Separate Returns:
2020[2]	$ 113,400	$ 72,900	$ 56,700

The allowable exemption amount is reduced by $0.25 for each $1.00 by which alternative minimum taxable income for the year exceeds the following amounts:

Year:	Joint Returns:	Single Returns:	Separate Returns:
2020[3]	$ 1,036,800	$ 518,400	$ 518,400

2 Amounts are indexed for inflation in future years.
3 Amounts are indexed for inflation in future years.

This means, for example, in 2020, the $113,400 exemption amount is phased out completely for married individuals filing joint returns when their alternative minimum taxable income reaches $1,490,400 [($113,400 ÷ $0.25) + $1,036,800].

APPLICATION OF AMT WHEN ISO IS EXERCISED

As noted above, when an ISO is exercised, the spread is included in AMTI at the time of exercise, unless the Purchased Shares are not yet vested at the time of exercise. If the Purchased Shares are not yet vested, the value of the shares minus the exercise price is included in AMTI when the shares vest. However, if you make an election under section 83(b) within 30 days after exercise, then the spread is included in AMTI at the time of exercise. **YOU MUST FILE AN 83(b) ELECTION WITH THE INTERNAL REVENUE SERVICE WITHIN 30 DAYS AFTER THE NOTICE OF STOCK OPTION EXERCISE IS SIGNED**. The 30-day filing period cannot be extended.

A special rule applies if you dispose of the Purchased Shares in the same year in which you exercised the ISO. If the amount you realize on the sale is less than the value of the stock at the time of exercise, then the amount includible in AMTI on account of the ISO exercise is limited to the gain realized on the sale.[4]

To the extent that your AMT is attributable to the spread on exercising an ISO (and certain other items), you may be able to apply the AMT that you paid as a credit against your income tax liability in future years. But the rules on calculating the available tax credits were amended frequently in recent years and have become extraordinarily complex. On this issue in particular, you must consult your own tax adviser.

When Purchased Shares are sold, your basis for purposes of computing the capital gain or loss under the AMT system is increased by the option spread that exists at the time of exercise. Again, an ISO is treated under the AMT system much like an NSO is treated under the regular tax system. But your basis in the ISO shares for purposes of computing gain or loss under the regular tax system does *not* reflect any AMT that you pay on the spread at exercise. Therefore, if you pay AMT in the year of the ISO exercise and regular income tax in the year of selling the Purchased Shares, you could pay tax twice on the same gain (except to the extent that you can use the AMT credit described above).

SECTION 409A OF THE INTERNAL REVENUE CODE

The preceding summary assumes that section 409A of the Internal Revenue Code does not apply to your option. In general, your option is exempt from section 409A if the exercise price per share is at least equal to the fair market value per share of the Company's Class A Common Stock at the time the option was granted by the Board of Directors. Since shares of Class A Common Stock are not traded on an established securities market, the determination of their fair market value generally is made by the Board of Directors or by an independent appraisal firm retained by the Company. In either case, there is no guarantee that the Internal Revenue Service will agree with the valuation.

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4 This is similar to the rule that applies under the regular tax system in the event of a disqualifying disposition of ISO stock. The amount of ordinary income that must be recognized in that case generally does not exceed the amount of the gain realized in the disposition.

If your option were found to be subject to section 409A, then you would be required to recognize ordinary income as early as the year in which the option (or portion thereof) vests. This amount would also be subject to a 20% federal tax *in addition to* the federal income tax at your usual marginal rate for ordinary income. Additional state income taxes may apply in some states.

DISCLAIMER UNDER IRS CIRCULAR 230

To ensure compliance with requirements imposed by U.S. tax authorities, we inform you that any U.S. tax advice contained in the foregoing summary is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding United States federal, state or local tax penalties, or (ii) promoting, marketing or recommending to another party any matters addressed herein (including any attachments).

SECTION 83(b) ELECTION

The undersigned taxpayer hereby elects, pursuant to Sections 55 and 83(b) of the Internal Revenue Code of 1986, as amended, and pursuant to Treasury Regulations Section 1.83-2, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over an amount paid for those shares.

A. The taxpayer who performed the services is:

Name:

Address:

Social Security No.:

B. The property with respect to which the election is made is shares of the Class A common stock of PepGen Inc.

C. The property was transferred to the taxpayer on , .

D. The taxable year for which the election is made is the calendar year .

E. The property is subject to a repurchase right pursuant to which the issuer has the right to acquire the property if for any reason taxpayer's service with the issuer terminates. The issuer's repurchase right lapses in a series of installments over a -year period ending on , .

F. The fair market value of such property at the time of transfer (determined without regard to any restriction other than a restriction that by its terms will never lapse) is $ per share x shares = $.

G. For the property transferred, the taxpayer paid $ per share × shares = $.

H. The amount to include in gross income is $. [***The amount in Item F less the amount in Item G***]

I. This statement is executed on , .

Signature of Spouse (if any)

Signature of Taxpayer

Within 30 days after the date of transfer of the property, this election must be filed with the Internal Revenue Service office where the taxpayer files his or her annual federal income tax return. The filing should be made by registered or certified mail, return receipt requested. The taxpayer must deliver a copy of the completed form to the Company.

PEPGEN INC. 2020 STOCK PLAN

NOTICE OF STOCK OPTION GRANT (INSTALLMENT EXERCISE)

The Optionee has been granted the following option to purchase shares of the Class A Common Stock of PepGen Inc. (the "**Company**"):

Name of Optionee:	«Name»
Total Number of Shares:	«TotalShares»
Type of Option:	«ISO» Incentive Stock Option (ISO) «NSO» Nonstatutory Stock Option (NSO)
Exercise Price per Share:	$«PricePerShare»
Date of Grant:	«DateGrant»
Vesting Schedule/Date Exercisable:	This option shall vest and become exercisable with respect to the first «Percent»% of the Shares subject to this option when the Optionee completes «CliffPeriod» months of continuous Service beginning with the Vesting Commencement Date set forth below. This option shall vest and become exercisable with respect to an additional «Fraction»% of the Shares subject to this option when the Optionee completes each month of continuous Service thereafter.
Vesting Commencement Date:	«VestComDate»
Expiration Date:	«ExpDate». This option expires earlier if the Optionee's Service terminates earlier, as provided in Section 6 of the Stock Option Agreement, or if the Company engages in certain corporate transactions, as provided in Section 9 of the Plan.

By signing below or otherwise accepting this option in a manner acceptable to the Company, the Optionee and the Company agree that this option is granted under, and governed by the terms and conditions of, this Notice of Stock Option Grant, the 2020 Stock Plan and the Stock Option Agreement. Both of the latter documents are attached to, and made a part of, this Notice of Stock Option Grant. Capitalized terms not otherwise defined herein or in the Stock Option Agreement shall have the meanings set forth in the Plan. **Section 14 of the Stock Option Agreement includes important acknowledgements of the Optionee**.

OPTIONEE:

_____

PEPGEN INC.

By: _____

Title: _____

THE OPTION GRANTED PURSUANT TO THE NOTICE OF STOCK OPTION GRANT AND THIS AGREEMENT AND THE SHARES ISSUABLE UPON THE EXERCISE THEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED.

PEPGEN INC. 2020 STOCK PLAN:
STOCK OPTION AGREEMENT (INSTALLMENT EXERCISE)

SECTION 1. GRANT OF OPTION.

(a) **Option**. On the terms and conditions set forth in the Notice of Stock Option Grant, this Agreement and the Plan, the Company has granted to the Optionee on the Date of Grant the option to purchase at the Exercise Price the number of Shares set forth in the Notice of Stock Option Grant. The Exercise Price is agreed to be at least 100% of the Fair Market Value per Share on the Date of Grant (110% of Fair Market Value if this option is designated as an ISO in the Notice of Stock Option Grant and Section 3(b) of the Plan applies). This option is intended to be an ISO or an NSO, as provided in the Notice of Stock Option Grant.

(b) **$100,000 Limitation**. Even if this option is designated as an ISO in the Notice of Stock Option Grant, it shall be deemed to be an NSO to the extent (and only to the extent) required by the $100,000 annual limitation under Section 422(d) of the Code.

(c) **Stock Plan and Defined Terms**. This option is granted pursuant to the Plan, a copy of which the Optionee acknowledges having received. The provisions of the Plan are incorporated into this Agreement by this reference. Except as otherwise defined in this Agreement (including without limitation Section 15 hereof), capitalized terms shall have the meaning ascribed to such terms in the Plan.

SECTION 2. RIGHT TO EXERCISE.

(a) **Exercisability**. Subject to Subsection (b) below and the other conditions set forth in this Agreement, all or part of this option may be exercised prior to its expiration at the time or times set forth in the Notice of Stock Option Grant.

(b) **Stockholder Approval**. Any other provision of this Agreement notwithstanding, no portion of this option shall be exercisable at any time prior to the approval of the Plan by the Company's stockholders.

SECTION 3. NO TRANSFER OR ASSIGNMENT OF OPTION.

Except as otherwise provided in or pursuant to this Agreement or the Plan, this option and the rights and privileges conferred hereby shall not be sold, pledged or otherwise transferred (whether by operation of law or otherwise) and shall not be subject to sale under execution, attachment, levy or similar process.

SECTION 4. EXERCISE PROCEDURES.

(a) **Notice of Exercise**. The Optionee or the Optionee's representative may exercise this option by: (i) signing and delivering written notice (on a form prescribed by the Company) to the Company pursuant to Section 13(c) specifying the election to exercise this option, the number of Shares for which it is being exercised and the form of payment, (ii) if requested by the Company, executing and delivering such stockholders agreements as apply to the holders of the Company's preferred stock (including, without limitation, any right of first refusal and co-sale agreement and/or voting agreement of the Company) and (iii) delivering payment, in a form permissible under Section 5, for the full amount of the Purchase Price (together with any applicable withholding taxes under Subsection (b)). In the event that this option is being exercised by the representative of the Optionee, the notice shall be accompanied by proof (satisfactory to the Company) of the representative's right to exercise this option.

(b) **Withholding Taxes**. In the event that the Company determines that it is required to withhold any tax (including without limitation any income tax, social insurance contributions, payroll tax, payment on account or other tax-related items arising in connection with the Optionee's participation in the Plan and legally applicable to the Optionee (the "**Tax-Related Items**")) as a result of the grant, vesting or exercise of this option, or as a result of the transfer of shares acquired upon exercise of this option, the Optionee, as a condition of this option, shall make arrangements satisfactory to the Company to enable it to satisfy all Tax-Related Items. The Optionee acknowledges that the responsibility for all Tax-Related Items is the Optionee's and may exceed the amount actually withheld by the Company (or its affiliate or agent).

(c) **Issuance of Shares**. After satisfying all requirements for exercise of this option, the Company shall cause to be issued one or more certificates evidencing, or electronic notation representing, the Shares for which this option has been exercised. Such Shares shall be registered (i) in the name of the person exercising this option, (ii) in the names of such person and his or her spouse as community property or as joint tenants with the right of survivorship or (iii) with the Company's consent, in the name of a revocable trust. Until the issuance of the Shares has been entered into the books and records of the Company or a duly authorized transfer agent of the Company, no right to vote, receive dividends or any other right as a stockholder will exist with respect to such Shares. The Company shall cause any certificates evidencing such Shares to be delivered to or upon the order of the person exercising this option.

SECTION 5. PAYMENT FOR STOCK.

(a) **Cash**. All or part of the Purchase Price may be paid in cash or cash equivalents or pursuant to a form of electronic funds transfer acceptable to the Company.

(b) **Surrender of Stock**. At the discretion of the Board of Directors, all or any part of the Purchase Price may be paid by surrendering, or attesting to the ownership of, Shares that are already owned by the Optionee. Such Shares shall be surrendered to the Company in good form for transfer and shall be valued at their Fair Market Value as of the date when this option is exercised.

(c) **Cashless Exercise**. All or part of the Purchase Price and any withholding taxes may be paid by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Shares and to deliver all or part of the sales proceeds to the Company. However, payment pursuant to the preceding sentence shall be permitted only if (i) Stock then is publicly traded and (ii) such payment does not violate applicable law. At the discretion of the Board of Directors, all or part of the Purchase Price and any withholding taxes may be paid pursuant to another cashless exercise arrangement established by the Company.

SECTION 6. TERM AND EXPIRATION.

(a) **Basic Term**. This option shall in any event expire on the expiration date set forth in the Notice of Stock Option Grant, which date is 10 years after the Date of Grant (five years after the Date of Grant if this option is designated as an ISO in the Notice of Stock Option Grant and Section 3(b) of the Plan applies).

(b) **Termination of Service (Except by Death)**. If the Optionee's Service terminates for any reason other than death, then this option shall expire on the earliest of the following occasions:

(i) The expiration date determined pursuant to Subsection (a) above;

(ii) The date three months after the termination of the Optionee's Service for any reason other than Disability; or

(iii) The date six months after the termination of the Optionee's Service by reason of Disability.

The Optionee may exercise all or part of this option at any time before its expiration under the preceding sentence, but only to the extent that this option had become vested and exercisable before the Optionee's Service terminated or becomes vested and exercisable as a result of such termination. In the event that the Optionee dies after termination of Service but before the expiration of this option, all or part of this option may be exercised (prior to expiration) by the executors or administrators of the Optionee's estate or by any person who has acquired this option directly from the Optionee by beneficiary designation, bequest or inheritance, but only to the extent that this option had become vested and exercisable before the Optionee's Service terminated or becomes vested and exercisable as a result of such termination. Once this option (or portion thereof) has terminated, the Optionee shall have no further rights with respect to the option (or portion thereof) or to the underlying Shares.

(c) **Death of the Optionee**. If the Optionee dies while in Service, then this option shall expire on the earlier of the following dates:

(i) The expiration date determined pursuant to Subsection (a) above; or

(ii) The date 12 months after the Optionee's death.

All or part of this option may be exercised at any time before its expiration under the preceding sentence by the executors or administrators of the Optionee's estate or by any person who has acquired this option directly from the Optionee by beneficiary designation, bequest or inheritance, but only to the extent that this option had become vested and exercisable before the Optionee's death or becomes vested and exercisable as a result of the Optionee's death. Once this option (or portion thereof) has terminated, the Optionee shall have no further rights with respect to the option (or portion thereof) or to the underlying Shares.

(d) **Additional Vesting After Termination of Service**. The period of time beginning on the date that the Optionee's Service terminates or the date that the Optionee dies while in Service and ending on the earliest of the occasions determined pursuant to Subsections (b) or (c) above, as applicable, is referred to as the "**post-termination exercise period**". To the extent this option is not fully vested and exercisable on the date the Optionee's Service terminates or the date that the Optionee dies while in Service, the Board of Directors may, during the post-termination exercise period, take action to cause this option to become vested and exercisable (in whole or in part). In no event will this option become vested or exercisable after termination of the Optionee's Service or death unless the Board of Directors takes affirmative action pursuant to the preceding sentence or unless expressly provided in a written agreement between the Company and the Optionee. In this regard, any provision of this Agreement or another agreement that provides for vesting upon an event (including, without limitation, a change in control) will be deemed to require Service through the occurrence of such event unless the agreement clearly provides otherwise.

(e) **Extension of Post-Termination Exercise Periods**. Following the date on which the Company's Stock is first listed for trading on an established securities market, if during any part of the exercise period described in Subsections (b)(ii) or (iii) or Subsection (c)(ii) above the exercise of this option would be prohibited solely because the issuance of Shares upon such exercise would violate the registration requirements under the Securities Act or a similar provision of other applicable law, then instead of terminating at the end of such prescribed period, the then-vested portion of this option will instead remain outstanding and not expire until the earlier of (i) the expiration date determined pursuant to Section 6(a) above or (ii) the date on which the then-vested portion of this option has been exercisable without violation of applicable law for the aggregate period (which need not be consecutive) after termination of the Optionee's Service specified in the applicable Subsection above.

(f) **Part-Time Employment and Leaves of Absence**. If the Optionee commences working on a part-time basis, then the Company may adjust the vesting schedule set forth in the Notice of Stock Option Grant. If the Optionee goes on a leave of absence, then, to the extent permitted by applicable law, the Company may adjust or suspend the vesting schedule set

forth in the Notice of Stock Option Grant. Except as provided in the preceding sentence, Service shall be deemed to continue for any purpose under this Agreement while the Optionee is on a *bona fide* leave of absence approved by the Company in writing. Service shall be deemed to terminate when such leave ends, unless the Optionee immediately returns to active work when such leave ends.

(g) **Notice Concerning ISO Treatment**. Even if this option is designated as an ISO in the Notice of Stock Option Grant, it ceases to qualify for favorable tax treatment as an ISO to the extent that it is exercised:

(i) More than three months after the date when the Optionee ceases to be an Employee for any reason other than death or permanent and total disability (as defined in Section 22(e)(3) of the Code);

(ii) More than 12 months after the date when the Optionee ceases to be an Employee by reason of permanent and total disability (as defined in Section 22(e)(3) of the Code); or

(iii) More than three months after the date when the Optionee has been on a leave of absence for three months, unless the Optionee's reemployment rights following such leave were guaranteed by statute or by contract.

SECTION 7. RIGHT OF FIRST REFUSAL.

(a) **Right of First Refusal**. In the event that the Optionee proposes to sell, pledge or otherwise transfer to a third party any Shares acquired under this Agreement, or any interest in such Shares, the Company shall have the Right of First Refusal with respect to all (and not less than all) of such Shares. If the Optionee desires to transfer Shares acquired under this Agreement, the Optionee shall give a written Transfer Notice to the Company describing fully the proposed transfer, including the number of Shares proposed to be transferred, the proposed transfer price, the name and address of the proposed Transferee and proof satisfactory to the Company that the proposed sale or transfer will not violate any applicable federal, State or foreign securities laws. The Transfer Notice shall be signed both by the Optionee and by the proposed Transferee and must constitute a binding commitment of both parties to the transfer of the Shares. The Company shall have the right to purchase all, and not less than all, of the Shares on the terms of the proposal described in the Transfer Notice (subject, however, to any change in such terms permitted under Subsection (b) below) by delivery of a notice of exercise of the Right of First Refusal within 30 days after the date when the Transfer Notice was received by the Company.

(b) **Transfer of Shares**. If the Company fails to exercise its Right of First Refusal within 30 days after the date when it received the Transfer Notice, the Optionee may, not later than 90 days following receipt of the Transfer Notice by the Company, conclude a transfer of the Shares subject to the Transfer Notice on the terms and conditions no less favorable to the Optionee than those described in the Transfer Notice, provided that any such sale is made in compliance with applicable federal, State and foreign securities laws and not in violation of any other contractual restrictions to which the Optionee is bound. Any proposed transfer on terms and conditions less favorable than those described in the Transfer Notice, as well as any subsequent proposed transfer by the Optionee, shall again be subject to the Right of First Refusal and shall

require compliance with the procedure described in Subsection (a) above. If the Company exercises its Right of First Refusal, the parties shall consummate the sale of the Shares on the terms set forth in the Transfer Notice within 60 days after the date when the Company received the Transfer Notice (or within such longer period as may have been specified in the Transfer Notice); provided, however, that in the event the Transfer Notice provided that payment for the Shares was to be made in a form other than cash or cash equivalents paid at the time of transfer, the Company shall have the option of paying for the Shares with cash or cash equivalents equal to the present value of the consideration described in the Transfer Notice.

(c) **Additional or Exchanged Securities and Property**. In the event of a merger or consolidation of the Company, a sale of all or substantially all of the Company's stock or assets, any other corporate reorganization, a stock split, the declaration of a stock dividend, the declaration of an extraordinary dividend payable in a form other than stock, a spin-off, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities, any securities or other property (including cash or cash equivalents) that are by reason of such transaction exchanged for, or distributed with respect to, any Shares subject to this Section 7 shall immediately be subject to the Right of First Refusal. Appropriate adjustments to reflect the exchange or distribution of such securities or property shall be made to the number and/or class of the Shares subject to this Section 7.

(d) **Termination of Right of First Refusal**. Any other provision of this Section 7 notwithstanding, in the event that the Stock is readily tradable on an established securities market when the Optionee desires to transfer Shares, the Company shall have no Right of First Refusal, and the Optionee shall have no obligation to comply with the procedures prescribed by Subsections (a) and (b) above.

(e) **Permitted Transfers**. This Section 7 shall not apply to (i) a transfer by beneficiary designation, will or intestate succession or (ii) a transfer to one or more members of the Optionee's Immediate Family or to a trust or other entity established by the Optionee solely for the benefit of the Optionee and/or one or more members of the Optionee's Immediate Family, provided in either case that the Transferee agrees in writing on a form prescribed by the Company to be bound by all provisions of this Agreement. If the Optionee transfers any Shares acquired under this Agreement, either under this Subsection (e) or after the Company has failed to exercise the Right of First Refusal, then this Agreement shall apply to the Transferee to the same extent as to the Optionee.

(f) **Termination of Rights as Stockholder**. If the Company makes available, at the time and place and in the amount and form provided in this Agreement, the consideration for the Shares to be purchased in accordance with this Section 7, then after such time the person from whom such Shares are to be purchased shall no longer have any rights as a holder of such Shares (other than the right to receive payment of such consideration in accordance with this Agreement). Such Shares shall be deemed to have been purchased in accordance with the applicable provisions hereof, whether or not any certificate(s) therefor have been delivered as required by this Agreement.

(g) **Assignment of Right of First Refusal**. The Board of Directors may freely assign the Company's Right of First Refusal, in whole or in part. Any person who accepts an assignment of the Right of First Refusal from the Company shall be entitled to and assume all of the Company's rights and obligations under this Section 7.

SECTION 8. LEGALITY OF INITIAL ISSUANCE.

No Shares shall be issued upon the exercise of this option unless and until the Company has determined that:

(a) It and the Optionee have taken any actions required to register the Shares under the Securities Act or to perfect an exemption from the registration requirements thereof;

(b) Any applicable listing requirement of any stock exchange or other securities market on which Stock is listed has been satisfied; and

(c) Any other applicable provision of federal, State or foreign law has been satisfied.

SECTION 9. NO REGISTRATION RIGHTS.

The Company may, but shall not be obligated to, register or qualify the sale of Shares under the Securities Act or any other applicable law. The Company shall not be obligated to take any affirmative action in order to cause the sale of Shares under this Agreement to comply with any law.

SECTION 10. RESTRICTIONS ON TRANSFER OF SHARES.

(a) **General Restrictions**. Unless the Stock is readily tradeable on an established securities market, the transfer of any of the Shares acquired pursuant to this Agreement (or any interest therein) shall, at the Company's request, be conditioned upon (i) effecting such transfer pursuant to a form of stock transfer agreement prescribed by the Company and (ii) payment of a transfer fee not to exceed $5,000.

(b) **Securities Law Restrictions**. Regardless of whether the offer and sale of Shares under the Plan have been registered under the Securities Act or have been registered or qualified under the securities laws of any State or other relevant jurisdiction, the Company at its discretion may impose restrictions upon the sale, pledge or other transfer of such Shares (including the placement of appropriate legends on the stock certificates (or electronic equivalent) or the imposition of stop-transfer instructions) and may refuse (or may be required to refuse) to transfer Shares acquired hereunder (or Shares proposed to be transferred in a subsequent transfer) if, in the judgment of the Company, such restrictions, legends or refusal are necessary or appropriate to achieve compliance with the Securities Act or other relevant securities or other laws, including without limitation under Regulation S of the Securities Act or pursuant to another available exemption from registration.

(c) **Market Stand-Off**. In connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act, including the Company's initial public offering, the Optionee or a Transferee

shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Agreement without the prior written consent of the Company or its managing underwriter. Such restriction (the "**Market Stand-Off**") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Company or such underwriter. In no event, however, shall such period exceed 180 days plus such additional period as may reasonably be requested by the Company or such underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports or (ii) analyst recommendations and opinions, including (without limitation) the restrictions set forth in Rule 2711(f)(4) of the National Association of Securities Dealers and Rule 472(f)(4) of the New York Stock Exchange, as amended, or any similar successor rules. The Market Stand-Off shall in any event terminate two years after the date of the Company's initial public offering. In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any Shares subject to the Market Stand-Off, or into which such Shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Company may impose stop-transfer instructions with respect to the Shares acquired under this Agreement until the end of the applicable stand-off period. The Company's underwriters shall be beneficiaries of the agreement set forth in this Subsection (b). This Subsection (b) shall not apply to Shares registered in the public offering under the Securities Act.

(d) **Investment Intent at Grant**. The Optionee represents and agrees that the Shares to be acquired upon exercising this option will be acquired for investment, and not with a view to the sale or distribution thereof.

(e) **Investment Intent at Exercise**. In the event that the sale of Shares under the Plan is not registered under the Securities Act but an exemption is available that requires an investment representation or other representation, the Optionee shall represent and agree at the time of exercise that the Shares being acquired upon exercising this option are being acquired for investment, and not with a view to the sale or distribution thereof, and shall make such other representations as are deemed necessary or appropriate by the Company and its counsel, including (if applicable because the Company is relying on Regulation S under the Securities Act) that as of the date of exercise the Optionee is (i) not a U.S. Person; (ii) not acquiring the Shares on behalf, or for the account or benefit, of a U.S. Person; and (iii) is not exercising the option in the United States.

(f) **Legends**. Any certificates (or electronic equivalent) evidencing Shares purchased under this Agreement shall bear the following legend:

"THE SHARES REPRESENTED HEREBY (AND ANY INTEREST THEREIN) MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF, EXCEPT IN COMPLIANCE WITH THE TERMS OF THE STOCK OPTION AGREEMENT PURSUANT TO WHICH SUCH SHARES WERE ACQUIRED. SUCH AGREEMENT GRANTS TO THE

COMPANY CERTAIN RIGHTS OF FIRST REFUSAL UPON AN ATTEMPTED TRANSFER OF THE SHARES. IN ADDITION, THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFER AS SET FORTH IN SUCH STOCK OPTION AGREEMENT. THE SECRETARY OF THE COMPANY WILL UPON WRITTEN REQUEST FURNISH A COPY OF SUCH STOCK OPTION AGREEMENT TO THE HOLDER HEREOF WITHOUT CHARGE."

Any certificates (or electronic equivalent) evidencing Shares purchased under this Agreement in an unregistered transaction shall bear the following legend (and such other restrictive legends as are required or deemed advisable under the provisions of any applicable law):

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY SECURITIES LAWS OF ANY U.S. STATE, AND MAY NOT BE SOLD, REOFFERED, PLEDGED, ASSIGNED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED. IN THE ABSENCE OF REGISTRATION OR THE AVAILABILITY (CONFIRMED BY OPINION OF COUNSEL) OF AN ALTERNATIVE EXEMPTION FROM REGISTRATION UNDER THE ACT (INCLUDING WITHOUT LIMITATION IN ACCORDANCE WITH REGULATION S UNDER THE ACT), THESE SHARES MAY NOT BE SOLD, REOFFERED, PLEDGED, ASSIGNED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED OF. HEDGING TRANSACTIONS INVOLVING THESE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT."

(g) **Removal of Legends**. If, in the opinion of the Company and its counsel, any legend placed on a stock certificate representing Shares sold under this Agreement is no longer required, the holder of such certificate shall be entitled to exchange such certificate for a certificate representing the same number of Shares but without such legend.

(h) **Administration**. Any determination by the Company and its counsel in connection with any of the matters set forth in this Section 10 shall be conclusive and binding on the Optionee and all other persons.

SECTION 11. DRAG ALONG RIGHT.

(a) **Required Actions**. If the Requisite Parties approve a Sale of the Company, then Optionee hereby agrees with respect to all Shares which the Optionee own(s) or over which the Optionee otherwise exercises voting or dispositive authority:

(i) if such Sale of the Company requires stockholder approval under the Certificate, the Bylaws of the Company or any law, rule or regulation

applicable to the Company, to vote (in person, by proxy or by action by written consent, as applicable) such Shares in favor of such Sale of the Company (it being understood that, within five (5) days after the delivery of a proxy or consent solicitation statement (or similar document requesting the consent or approval of stockholders) in respect of any Sale of the Company, the Stockholder shall duly execute and deliver a proxy or consent, as the case may be, in favor of such Sale of the Company);

(ii) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by the Optionee as is being sold by the Selling Holders to the person to whom the Selling Holders propose to sell their Shares;

(iii) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company;

(iv) if the consideration for such Shares pursuant to the Sale of the Company includes any securities, accept in lieu thereof an amount of cash equal to the fair value (as determined in good faith by the Company) of such securities to the extent reasonably necessary (as determined in good faith by the Company) to comply with applicable federal and state securities laws;

(v) if the Selling Holders appoint a stockholder representative (the "**Stockholder Representative**") for matters affecting the stockholders of the Company under the applicable definitive transaction agreements, to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the Company and its related service as the representative of the Stockholders;

(vi) to agree to make representations and warranties and to agree to indemnity and other liability obligations in connection with the Sale of the Company on terms and conditions that, taken as a whole, are no less favorable to Optionee than to other holders of Class A Common Stock of the Company; and

(vii) to execute and deliver all related documentation and take such other action in support of the Sale of the Company, as reasonably requested by the Company, including a written consent, release and/or joinder, and to not take any action inconsistent with the Sale of the Company.

(b) **Exceptions**. Notwithstanding the foregoing, an Optionee will not be required to comply with Subsection (a) above in connection with any Sale of the Company unless (i) each holder of each class or series of the Company's stock will receive the same form of

consideration for their shares of such class or series as is received by other holders in respect of their shares of such same class or series of stock and (ii) each holder of Class A Common Stock will receive the same amount of consideration per share of Class A Common Stock as is received by other holders in respect of their shares of Class A Common Stock, subject, in each case, to any "rollover" or similar arrangements provided in the definitive documents relating to such Sale of the Company. If the consideration to be paid in exchange for the Shares pursuant to such Sale of the Company includes any securities and due receipt thereof by the Optionee would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Optionee of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Optionee in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Optionee, an amount in cash equal to the fair value (as determined in good faith by the Company's Board of Directors or the Requisite Parties, as applicable) of the securities which such Optionee would otherwise receive as of the date of the issuance of such securities in exchange for the Shares.

SECTION 12. ADJUSTMENT OF SHARES.

In the event of any transaction described in Section 9(a) of the Plan, the terms of this option (including, without limitation, the number and kind of Shares subject to this option and the Exercise Price) shall be adjusted as set forth in Section 9(a) of the Plan. In the event that the Company is a party to a merger or consolidation or in the event of a sale of all or substantially all of the Company's stock or assets, this option shall be subject to the treatment provided by the Board of Directors in its sole discretion, as provided in Section 9(b) of the Plan.

SECTION 13. MISCELLANEOUS PROVISIONS.

(a) **Rights as a Stockholder**. Neither the Optionee nor the Optionee's representative shall have any rights as a stockholder with respect to any Shares subject to this option until the Optionee or the Optionee's representative becomes entitled to receive such Shares by filing a notice of exercise and paying the Purchase Price pursuant to Sections 4 and 5.

(b) **No Retention Rights**. Nothing in this option or in the Plan shall confer upon the Optionee any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Parent or Subsidiary employing or retaining the Optionee) or of the Optionee, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without cause.

(c) **Notice**. Any notice required by the terms of this Agreement shall be given in writing. It shall be deemed effective upon (i) personal delivery, (ii) deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, (iii) deposit with Federal Express Corporation, with shipping charges prepaid or (iv) deposit with any internationally recognized express mail courier service, with shipping charges prepaid. Notice shall be addressed to the Company at its principal executive office and to the Optionee at the address that he or she most recently provided to the Company in accordance with this Subsection (c). In addition, to the extent required or permitted pursuant to rules established by the Company from time to time, notices may be delivered electronically.

(d) **Modifications and Waivers**. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by the Optionee and by an authorized officer of the Company (other than the Optionee); provided, however, that a modification that is otherwise favorable to the Optionee (for example, providing the Optionee with additional time to exercise this option after termination of employment or providing for additional forms of payment) but causes this option to lose its tax-favored status (for example, as an ISO) shall not require the consent of the Optionee. No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(e) **Entire Agreement**. The Notice of Stock Option Grant, this Agreement and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof. They supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to the subject matter hereof.

(f) **Choice of Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, as such laws are applied to contracts entered into and performed in such State.

(g) **Severability**. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

(h) **Binding Effect on Transferees, Heirs, Successors and Assigns**. This Agreement shall be binding upon Optionee's permitted transferees, heirs, successors and assigns; provided that for any such transfer to be deemed effective, the transferee shall agree on a form prescribed by the Company to be bound by the terms and conditions of this Agreement, including the restrictions on transfer in Section 10 and the drag along right in Section 11. The Company shall not record any transfer of Shares on its books or issue a new certificate representing any such Shares unless and until such transferee shall have complied with the terms of this Subsection (h).

SECTION 14. ACKNOWLEDGEMENTS OF THE OPTIONEE.

In addition to the other terms, conditions and restrictions imposed on this option and the Shares issuable under this option pursuant to this Agreement and the Plan, the Optionee expressly acknowledges being subject to Sections 7 (Right of First Refusal), 8 (Legality of Initial Issuance), 10 (Restrictions on Transfer of Shares, including without limitation the Market Stand-Off) and 11 (Drag Along Right), as well as the following provisions:

(a) **Tax Consequences**. The Optionee agrees that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes the Optionee's tax liabilities. The Optionee shall not make any claim against the Company or its Board of Directors, officers or employees related to tax liabilities arising from this option or the Optionee's other compensation. In particular, any Optionee subject to U.S. taxation acknowledges that this option is exempt from Section 409A of the Code only if the Exercise Price is at least equal to the Fair Market Value per Share on the Date of Grant. Since Shares are not traded on an established securities market, the determination of their Fair Market Value is made by the Board of Directors or by an independent valuation firm retained by the Company. The Optionee acknowledges that there is no guarantee in either case that the Internal Revenue Service will agree with the valuation, and the Optionee shall not make any claim against the Company or its Board of Directors, officers or employees in the event that the Internal Revenue Service asserts that the valuation was too low. In addition, if this option is designated as an ISO, the Optionee acknowledges that there is no guarantee that the option in fact qualifies for incentive stock option treatment or that it will continue to qualify for incentive stock option treatment at the time of exercise. In this regard, the Optionee acknowledges that the Company may take actions that will cause the option to cease to be eligible for incentive stock option treatment and that such actions do not require the Optionee's consent.

(b) **Electronic Delivery of Documents**. The Optionee acknowledges and agrees that the Company may, in its sole discretion, deliver all documents relating to the Company, the Plan or this option and all other documents that the Company is required to deliver to its security holders (including, without limitation, disclosures that may be required by the Securities and Exchange Commission) by email or other means of electronic transmission (including by posting them on a website maintained by the Company or a third party under contract with the Company). The Optionee acknowledges that he or she may incur costs in connection with any such delivery by means of electronic transmission, including the cost of accessing the internet and printing fees, and that an interruption of internet access may interfere with his or her ability to access the documents.

(c) **No Notice of Expiration Date**. The Optionee agrees that the Company and its officers, employees, attorneys and agents do not have any obligation to notify him or her prior to the expiration of this option pursuant to Section 6, regardless of whether this option will expire at the end of its full term or on an earlier date related to the termination of the Optionee's Service. The Optionee further agrees that he or she has the sole responsibility for monitoring the expiration of this option and for exercising this option, if at all, before it expires. This Subsection (c) shall supersede any contrary representation that may have been made, orally or in writing, by the Company or by an officer, employee, attorney or agent of the Company.

(d) **Waiver of Statutory Information Rights**. The Optionee acknowledges and agrees that, upon exercise of this option and until the first sale of the Company's Stock to the general public pursuant to a registration statement filed under the Securities Act, he or she shall waive, and shall be deemed to have waived, any rights the Optionee would otherwise have under Section 220 of the Delaware General Corporation Law (or under similar rights pursuant to any other applicable law) to inspect for any purpose and to make copies and extracts from the Company's stock ledger, a list of its stockholders and its other books and records or the books and records of any subsidiary of the Company (the "**Inspection Rights**"). The Optionee acknowledges

and understands that, but for the waiver made herein, the Optionee would be entitled, upon compliance with the procedures set forth in Section 220 of the Delaware General Corporation Law, to Inspection Rights pursuant thereto, and further acknowledges and agrees that the waiver set forth herein is a knowing and voluntary waiver of such rights, that the Optionee has received sufficient consideration for such waiver and that the Company would not be willing to provide the benefits to the Optionee hereunder without the benefit of such waiver from the Optionee. This waiver applies only in the Optionee's capacity as a stockholder and does not affect any other inspection rights the Optionee may have pursuant to any written agreement with the Company.

(e) **Plan Discretionary**. The Optionee understands and acknowledges that (i) the Plan is entirely discretionary, (ii) the Company and the Optionee's employer have reserved the right to amend, suspend or terminate the Plan at any time, (iii) the grant of an option does not in any way create any contractual or other right to receive additional grants of options (or benefits in lieu of options) at any time or in any amount and (iv) all determinations with respect to any additional grants, including (without limitation) the times when options will be granted, the number of Shares offered, the Exercise Price and the vesting schedule, will be at the sole discretion of the Company.

(f) **Termination of Service**. The Optionee understands and acknowledges that participation in the Plan ceases upon termination of his or her Service for any reason, except as may explicitly be provided otherwise in the Plan or this Agreement.

(g) **Extraordinary Compensation**. The value of this option shall be an extraordinary item of compensation outside the scope of the Optionee's employment contract, if any, and shall not be considered a part of his or her normal or expected compensation for purposes of calculating severance, resignation, redundancy or end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

(h) **Authorization to Disclose**. The Optionee hereby authorizes and directs the Optionee's employer to disclose to the Company or any Subsidiary any information regarding the Optionee's employment, the nature and amount of the Optionee's compensation and the fact and conditions of the Optionee's participation in the Plan, as the Optionee's employer deems necessary or appropriate to facilitate the administration of the Plan.

(i) **Personal Data Authorization**. The Optionee consents to the collection, use and transfer of personal data as described in this Subsection (i). The Optionee understands and acknowledges that the Company, the Optionee's employer and the Company's other Subsidiaries hold certain personal information regarding the Optionee for the purpose of managing and administering the Plan, including (without limitation) the Optionee's name, home address, telephone number, date of birth, social insurance number, salary, nationality, job title, any Shares or directorships held in the Company and details of all options or any other entitlements to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor (the "**Data**"). The Optionee further understands and acknowledges that the Company and/or its Subsidiaries will transfer Data among themselves as necessary for the purpose of implementation, administration and management of the Optionee's participation in the Plan and that the Company and/or any Subsidiary may each further transfer Data to any third party assisting the Company in the implementation, administration and management of the Plan. The Optionee understands and

acknowledges that the recipients of Data may be located in the United States or elsewhere. The Optionee authorizes such recipients to receive, possess, use, retain and transfer Data, in electronic or other form, for the purpose of administering the Optionee's participation in the Plan, including a transfer to any broker or other third party with whom the Optionee elects to deposit Shares acquired under the Plan of such Data as may be required for the administration of the Plan and/or the subsequent holding of Shares on the Optionee's behalf. The Optionee may, at any time, view the Data, require any necessary modifications of Data or withdraw the consents set forth in this Subsection (i) by contacting the Company in writing.

SECTION 15. DEFINITIONS.

(a) "**Agreement**" shall mean this Stock Option Agreement.

(b) "**Board of Directors**" shall mean the Board of Directors of the Company, as constituted from time to time or, if a Committee has been appointed, such Committee.

(c) "**Certificate**" shall mean the Company's amended and restated certificate of incorporation as in effect from time to time.

(d) "**Company**" shall mean PepGen Inc., a Delaware corporation.

(e) "**Immediate Family**" shall mean any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law and shall include adoptive relationships.

(f) "**Optionee**" shall mean the person named in the Notice of Stock Option Grant.

(g) "**Plan**" shall mean the PepGen Inc. 2020 Stock Plan, as in effect on the Date of Grant.

(h) "**Purchase Price**" shall mean the Exercise Price multiplied by the number of Shares with respect to which this option is being exercised.

(i) "**Requisite Parties**" shall mean both the Board of Directors and the Selling Holders.

(j) "**Right of First Refusal**" shall mean the Company's right of first refusal described in Section 7.

(k) "**Sale of the Company**" shall mean: (i) a transaction or series of related transactions in which a person, or a group of related persons, acquires from stockholders of the Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company (a "**Stock Sale**"), (ii) a sale of all or substantially all of the assets of the Company or (iii) any other transaction that qualifies as a "Liquidation Event" as defined in the Certificate.

(l) "**Selling Holders**" shall mean the holders of a majority of the then-outstanding shares of Class A Common Stock (voting together as a single class and on an as-converted basis).

(m) "**Service**" shall mean service as an Employee, Outside Director or Consultant.

(n) "**Transferee**" shall mean any person to whom the Optionee has directly or indirectly transferred any Share acquired under this Agreement.

(o) "**Transfer Notice**" shall mean the notice of a proposed transfer of Shares described in Section 7.

(p) "**U.S. Person**" shall mean a person described in Rule 902(k) of Regulation S of the Securities Act (or any successor rule or provision), which generally defines a U.S. person as any natural person resident in the United States, any estate of which any executor or administrator is a U.S. Person, or any trust of which of any trustee is a U.S. Person.

PEPGEN INC. 2020 STOCK PLAN
NOTICE OF STOCK OPTION EXERCISE (INSTALLMENT EXERCISE)

You must sign this Notice on Page 4 before submitting it to the Company.

OPTIONEE INFORMATION:

Name: _____ Social Security Number: _____

Address: _____ Employee Number: _____

_____ Email Address: _____

OPTION INFORMATION:

Date of Grant: , 20

Exercise Price per Share: $

Total number of shares of Class A Common Stock of PepGen Inc. (the "Company") covered by the option:

Type of Stock Option:

☐ Nonstatutory (NSO)

☐ Incentive (ISO)

EXERCISE INFORMATION:

Number of shares of Class A Common Stock of the Company for which the option is being exercised now: . (These shares are referred to below as the "Purchased Shares.")

Total Exercise Price for the Purchased Shares: $

Form of payment enclosed [***check all that apply***]:

☐ Check for $, payable to "PepGen Inc."

☐ Certificate(s) for shares of Class A Common Stock of the Company. These shares will be valued as of the date this notice is received by the Company. [***Requires Company consent.***]

☐ Attestation Form covering shares of Class A Common Stock of the Company. These shares will be valued as of the date this notice is received by the Company. [***Requires Company consent.***]

Name(s) in which the Purchased Shares should be registered [***please review the attached explanation of the available forms of ownership, and then check one box***]*****:

☐ In my name only

☐ In the names of my spouse and myself as community property

☐ In the names of my spouse and myself as community property with the right of survivorship

☐ In the names of my spouse and myself as joint tenants with the right of survivorship

☐ In the name of an eligible revocable trust [***requires Stock Transfer Agreement***]

My spouse's name (if applicable):

_____

Full legal name of revocable trust:

_____

_____

_____

* While the Company will register the Purchased Shares in accordance with your instruction, this document does not control or change the nature of the Purchased Shares as community property or separate property. You are advised to consult your own advisor to determine if additional steps or documentation are required in this regard.

REPRESENTATIONS AND ACKNOWLEDGEMENTS OF THE OPTIONEE:

1. I represent and warrant to the Company that I am acquiring and will hold the Purchased Shares for investment for my account only, and not with a view to, or for resale in connection with, any "distribution" of the Purchased Shares within the meaning of the Securities Act of 1933, as amended (the "Securities Act").

2. I understand that my purchase of the Purchased Shares has not been registered under the Securities Act by reason of a specific exemption therefrom and that the Purchased Shares must be held indefinitely, unless they are subsequently registered under the Securities Act or I obtain an opinion of counsel (in form and substance satisfactory to the Company and its counsel) that registration is not required.

3. I acknowledge that the Company is under no obligation to register the Purchased Shares or any sale or transfer thereof.

4. I am aware of Rule 144 under the Securities Act, which permits limited public resales of securities acquired in a non-public offering, subject to the satisfaction of certain conditions. These conditions may include (without limitation) that certain current public information about the issuer be available, that the resale occur only after a holding period required by Rule 144 has been satisfied, that the sale occur through an unsolicited "broker's transaction" and that the amount of securities being sold during any three-month period not exceed specified limitations. I understand that the conditions for resale set forth in Rule 144 have not been satisfied as of the date set forth below, and that the Company is not required to take action to satisfy any conditions applicable to it.

5. I will not sell, transfer or otherwise dispose of the Purchased Shares in violation of the Securities Act, the Securities Exchange Act of 1934, or the rules promulgated thereunder, including Rule 144 under the Securities Act.

6. I acknowledge that I have received and had access to such information as I consider necessary or appropriate for deciding whether to invest in the Purchased Shares and that I had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the issuance of the Purchased Shares.

7. I am aware that my investment in the Company is a speculative investment that has limited liquidity and is subject to the risk of complete loss. I am able, without impairing my financial condition, to hold the Purchased Shares for an indefinite period and to suffer a complete loss of my investment in the Purchased Shares.

8. I acknowledge that the Purchased Shares remain subject to the Company's right of first refusal, the drag-along right and the market stand-off (sometimes referred to as the "lock-up"), all in accordance with the applicable Notice of Stock Option Grant and Stock Option Agreement. I acknowledge that any transfer of the Purchased Shares may be subject to a transfer fee and must be effected on the Company's form of stock transfer agreement, as further described in the Stock Option Agreement.

9. I acknowledge that I am acquiring the Purchased Shares subject to all other terms of the Notice of Stock Option Grant and Stock Option Agreement.

10. I acknowledge that I have received a copy of the Company's explanation of the forms of ownership available for my Purchased Shares. I acknowledge that the Company has encouraged me to consult my own adviser to determine the form of ownership that is appropriate for me. In the event that I choose to transfer my Purchased Shares to a trust, I agree to sign a Stock Transfer Agreement on a form prescribed by the Company. In the event that I choose to transfer my Purchased Shares to a trust that does not satisfy the requirements described in the attached explanation (i.e., a trust that is not an eligible revocable trust), I also acknowledge that the transfer will be treated as a "disposition" for tax purposes. As a result, the favorable ISO tax treatment will be unavailable and other unfavorable tax consequences may occur.

11. I acknowledge that I have received a copy of the Company's explanation of the federal income tax consequences of an option exercise. I acknowledge that the Company has encouraged me to consult my own adviser to determine the tax consequences of acquiring the Purchased Shares at this time.

12. I agree that the Company does not have a duty to design or administer the 2020 Stock Plan or its other compensation programs in a manner that minimizes my tax liabilities. I will not make any claim against the Company or its Board of Directors, officers or employees related to tax liabilities arising from my options or my other compensation. In particular, I acknowledge that my options are exempt from section 409A of the Internal Revenue Code only if the exercise price per share is at least equal to the fair market value per share of the Company's Class A Common Stock at the time the option was granted by the Company's Board of Directors. Since shares of the Company's Class A Common Stock are not traded on an established securities market, the determination of their fair market value was made by the Company's Board of Directors or by an independent valuation firm retained by the Company. I acknowledge that there is no guarantee in either case that the Internal Revenue Service will agree with the valuation, and I will not make any claim against the Company or its Board of Directors, officers or employees in the event that the Internal Revenue Service asserts that the valuation was too low.

13. I agree to seek the consent of my spouse to the extent required by the Company to enforce the foregoing.

14. I consent, with respect to all shares of capital stock of the Company held by me, to receive any notice given by the Company under its certificate of incorporation or bylaws, as the same may be amended and/or restated from time to time, the General Corporation Law of the State of Delaware (the "General Corporation Law") or otherwise, by electronic transmission pursuant to Section 232 of the General Corporation Law at the email address set forth above. I further acknowledge and agree that the Company may rely upon any expressions of my consent to proposed corporate actions received from the email address provided above. I hereby agree to notify the Company of any change to my email address set forth above, and further agree that the provision of such notice shall constitute my consent to receive notice and to provide my expression of consent as provided herein at such address. In the event that the Company is unable to deliver notice to me at the e-mail address set forth above, I shall, within five (5) days after a request by the Company, provide the Company with a valid e-mail address to which I consent to receive notice and to provide expressions of consent as provided herein.

SIGNATURE: **DATE:**

EXPLANATION OF FORMS OF STOCK OWNERSHIP

PURPOSE OF THIS EXPLANATION

The purpose of this explanation is to provide you with a brief summary of the forms of legal ownership available for the shares that you are purchasing (the "Purchased Shares"). For a number of reasons, this explanation is no substitute for personal legal advice:

- To make the explanation short and readable, only the highlights are covered. Some legal rules are not addressed, even though they may be important in particular cases.
- While the summary attempts to deal with the most common situations, your own situation may well be different from the norm.
- The law may change, and the Company is not responsible for updating this summary.
- The form in which you own your shares may have a *substantial* impact on the estate tax treatment that applies to those shares when you die or the income tax treatment that applies when your survivors sell the shares after your death.

FOR THESE REASONS, THE COMPANY STRONGLY ENCOURAGES YOU TO CONSULT YOUR OWN ADVISER BEFORE EXERCISING YOUR OPTION AND BEFORE MAKING A DECISION ABOUT THE FORM OF OWNERSHIP FOR YOUR SHARES.

OVERVIEW

The Notice of Stock Option Exercise offers five forms of taking title to the Purchased Shares:

- In your name only,
- In your name and the name of your spouse as community property,
- In your name and the name of your spouse as community property with the right of survivorship,
- In your name and the name of your spouse as joint tenants with the right of survivorship, or
- In the name of an eligible revocable trust.

Title in the Purchased Shares depends upon (a) your marital status, (b) the marital property laws of your state of residence and (c) any agreement with your spouse altering the existing marital property laws of your state of residence. If you are not married, you generally will take title in your name alone. If you are married, title depends upon the marital property laws of your state of residence. In general, states are classified either as "community property" states or as "common-law property" states. (But individual state law may vary within these classifications.)

COMMUNITY PROPERTY AND JOINT TENANCY

Community property states include California, Texas, Washington, Arizona, Nevada, New Mexico, Idaho, Louisiana and Wisconsin. In a community property state, property acquired during marriage by either spouse is presumed to be one-half owned by each spouse. All other property is classified as the separate property of the spouse who acquires the property. While either spouse has equal management and control over the community property and may sell, spend or encumber all community property, neither spouse may gift community property or partition his/her one-half interest without the consent of the other spouse. Upon divorce, all community property is divided equally among the spouses and each spouse is entitled to retain all of his/her separate property. Upon the death of a spouse, one-half of the community property (and all of the decedent spouse's separate property) will pass to the decedent spouse's heirs. The other one-half of the community property remains the property of the surviving spouse.

Other states are common-law property states. In a common-law property state, each spouse is generally deemed to own whatever he/she earns or acquires.

A married couple may elect to alter the marital property rules by mutually agreeing to take title to property in other forms. For example, a couple residing in a community property state may generally enter into an agreement and transform what otherwise would be community property into the separate property of the spouse who earns or acquires the property.

In addition, many community property and common-law property states allow married couples to take joint title in property acquired during marriage. For example, California allows a married couple to take title in a joint tenancy with the right of survivorship. In a joint tenancy, each spouse owns a one-half interest in the property as separate property. This means that each spouse may transfer or sell his/her one-half interest in the property while he/she is alive. However, unlike traditional separate property, a spouse cannot transfer his/her one-half interest to heirs at death. Instead, the surviving spouse *automatically* receives the decedent spouse's one-half interest and becomes the full owner of the property. (This is called the "right of survivorship.") Both spouses must consent to taking property in a joint tenancy in lieu of having the community property laws apply.

California also allows a married couple to take title in the shares as community property with the right of survivorship. This means that the shares are treated like community property while both spouses are alive. However, if one spouse dies, then the other spouse automatically receives the decedent spouse's one-half interest and becomes the full owner of the shares. In other words, the decedent spouse's will or trust does *not* control the disposition of the shares.

If you have the Purchased Shares issued in a form other than those described above, then the transfer will be treated as a "disposition" for tax purposes. This means that the effect, for tax purposes, will be the same as selling the Purchased Shares. Please refer to the attached tax summary for additional information.

TRUSTS

A transfer to a trust generally should not be treated as a "disposition" of the Purchased Shares for tax purposes if the trust satisfies each of the following conditions:

- You are the sole grantor of the trust,
- You are the sole trustee, or you and your spouse are the sole co-trustees,
- The trustee or trustees are not required to distribute the income of the trust to any person other than you and/or your spouse while you are alive, and
- The trust permits you to revoke all or part of the trust and to have the trust's assets returned to you, without the consent of any other person (including your spouse).

If you have the Purchased Shares issued to a trust that does not meet these requirements, then the transfer will be treated as a "disposition" for tax purposes. This means that the effect, for tax purposes, will be the same as selling the Purchased Shares. Please refer to the attached tax summary for additional information.

If you have the Purchased Shares issued to any trust, you will be required to sign a Stock Transfer Agreement in your capacity as trustee. Under the Stock Transfer Agreement, the Purchased Shares remain subject to the Company's right of first refusal in accordance with the applicable Notice of Stock Option Grant and Stock Option Agreement.

THE COMPANY WILL NOT CHECK TO DETERMINE WHETHER THE FORM OF OWNERSHIP THAT YOU ELECT IN YOUR NOTICE OF STOCK OPTION EXERCISE IS APPROPRIATE. YOU SHOULD CONSULT YOUR OWN ADVISERS ON THIS SUBJECT. IF AN INAPPROPRIATE ELECTION IS MADE, THE FORM OF OWNERSHIP MAY NOT WITHSTAND LEGAL SCRUTINY OR MAY HAVE ADVERSE TAX CONSEQUENCES.

EXPLANATION OF U.S. FEDERAL INCOME TAX CONSEQUENCES

(Current as of January 2020)

PURPOSE OF THIS EXPLANATION

The purpose of this explanation is to provide you with a brief summary of the tax consequences of exercising your option. For a number of reasons, this explanation is no substitute for personal tax advice:

- To make the explanation short and readable, only the highlights are covered. Some tax rules are not addressed, even though they may be important in particular cases.
- While the summary attempts to deal with the most common situations, your own tax situation may well be different from the norm.
- State and foreign income taxes are not addressed at all, even though they could have a significant impact on your tax planning. Likewise, federal gift and estate taxes and state inheritance taxes are not discussed.
- Tax planning involving incentive stock options is exceedingly complex, in part because of the possible application of the alternative minimum tax.
- This explanation assumes that your option is not subject to section 409A of the Internal Revenue Code. However, the Company cannot be certain that section 409A is inapplicable to your option. (Please refer to the last segment of this summary for more information about section 409A.)
- The tax rules change often, and the Company is not responsible for updating this summary. (Please refer to the date at the top of this page.)

FOR THESE REASONS, THE COMPANY STRONGLY ENCOURAGES YOU TO CONSULT YOUR OWN TAX ADVISER BEFORE EXERCISING YOUR OPTION.

EXERCISE OF NSO

If you are exercising an NSO, you generally will be taxed at the time of exercise. You will recognize ordinary income in an amount equal to the excess of (a) the fair market value of the Purchased Shares on the date of exercise over (b) the exercise price you are paying. If you are an employee or former employee of the Company, this amount is subject to withholding for income and payroll taxes. Your tax basis in the Purchased Shares (to calculate capital gain when you sell the shares) is equal to the sum of the exercise price you paid for the Purchased Shares plus any additional amount you recognized as income on the exercise date.

DISPOSITION OF NSO SHARES

When you dispose of the Purchased Shares, you will recognize a capital gain equal to the excess of (a) the sale proceeds over (b) your tax basis in the Purchased Shares. If the sale proceeds are less than your tax basis, you will recognize a capital loss. The capital gain or loss will be long-term if you held the Purchased Shares for more than 12 months. The holding period starts when you exercise your NSO. In general, the maximum marginal federal income tax rate on long-term capital gains is 20% under current law, but lower long-term capital gain rates may apply to certain taxpayers.

Effective January 1, 2013, as a result of the Health Care and Education Reconciliation Act of 2010, an additional Medicare contribution tax is imposed at a rate of 3.8% on the "net investment income" of individuals with adjusted gross incomes in excess of $200,000 ($250,000 in the case of a joint return, and $125,000 in the case of a married taxpayer filing separately). "Net investment income" includes income from interest, dividends, and capital gains, reduced by the deductions properly allocated to such income.

Depending on the level of your adjusted gross income, the additional Medicare contribution tax may be imposed on any short-term and long-term capital gain income and can increase your marginal tax rate.

LIMIT ON ISO TREATMENT

The Notice of Stock Option Grant indicates whether your option is a nonstatutory stock option (NSO) or an incentive stock option (ISO). The favorable tax treatment for ISOs is limited, regardless of what the Notice of Stock Option Grant indicates. Of the options that become exercisable in any calendar year, only options covering the first $100,000 of stock are eligible for ISO treatment. The excess over $100,000 automatically receives NSO treatment. For this purpose, stock is valued at the time of grant. This means that the value is generally equal to the exercise price.

For example, assume that you hold an option to buy 60,000 shares for $8 per share. Assume further that the entire option becomes exercisable in four equal annual installments. Only the first 50,000 shares qualify for ISO treatment. (12,500 times $8 equals $100,000.) The remaining 10,000 shares will be treated as if they had been acquired by exercising an NSO. This is true regardless of when the option is *actually* exercised; what matters is when it first *could* have been exercised.

EXERCISE OF ISO AND ISO HOLDING PERIODS

If you are exercising an ISO, you will not be taxed under the *regular* tax rules until you dispose of the Purchased Shares.[1] (The alternative minimum tax rules are described below.) The tax treatment at the time of disposition depends on how long you hold the shares. You will satisfy the ISO holding periods if you hold the Purchased Shares until the *later* of the following dates:

[1] Generally, a "disposition" of shares purchased under an ISO encompasses any transfer of legal title, such as a transfer by sale, exchange or gift. It generally does not include a transfer to your spouse, a transfer into joint ownership with right of survivorship (if you remain one of the joint owners), a pledge, a transfer by bequest or inheritance, or certain tax-free exchanges permitted under the Internal Revenue Code. A transfer to a trust is a "disposition" unless the trust is an eligible revocable trust, as described in the attached explanation.

- More than two years after the ISO was granted, and
- More than one year after the ISO is exercised.

DISPOSITION OF ISO SHARES

If you dispose of the Purchased Shares after satisfying *both* of the ISO holding periods, then you will recognize only a long-term capital gain at the time of disposition. The amount of the capital gain is equal to the excess of (a) the sale proceeds over (b) the exercise price. In general, the maximum marginal federal income tax rate on long-term capital gains is 20% under current law, but lower long-term capital gain rates may apply to certain taxpayers.

Effective January 1, 2013, as a result of the Health Care and Education Reconciliation Act of 2010, an additional Medicare contribution tax is imposed at a rate of 3.8% on the "net investment income" of individuals with adjusted gross incomes in excess of $200,000 ($250,000 in the case of a joint return, and $125,000 in the case of a married taxpayer filing separately). "Net investment income" includes income from interest, dividends, and capital gains, reduced by the deductions properly allocated to such income.

If you dispose of the Purchased Shares before either or both of the ISO holding periods are met, then you will recognize ordinary income at the time of disposition. The amount of ordinary income will be equal to the excess of (a) the fair market value of the Purchased Shares on the date of exercise over (b) the exercise price. But if the disposition is an arm's length sale to an unrelated party, the amount of ordinary income will not exceed the total gain from the sale. Under current IRS rules, the ordinary income amount will not be subject to withholding for income or payroll taxes.

Your tax basis in the Purchased Shares will be equal to the sum of the exercise price you paid for the Purchased Shares plus any additional amount you recognized as ordinary income. Any gain in excess of your basis will be taxed as a capital gain—either long-term or short-term, depending on how long you held the Purchased Shares after the date of exercise.

SUMMARY OF ALTERNATIVE MINIMUM TAX

The alternative minimum tax (AMT) must be paid to the extent that it exceeds your regular federal income tax for the year. For 2020, the first $197,900 ($98,950 for a married taxpayer filing a separate return) of your alternative minimum taxable income for the year over the allowable exemption amount (see below) is subject to alternative minimum taxation at the rate of 26%. The balance of your alternative minimum taxable income is subject to alternative minimum taxation at the rate of 28%. The dollar thresholds dividing the 26% and 28% rates are indexed for inflation in future years. Your alternative minimum tax base is equal to your alternative minimum taxable income (AMTI) minus your exemption amount.

- **Alternative Minimum Taxable Income**. Your AMTI is equal to your regular taxable income, subject to certain adjustments and increased by items of tax preference. Among the many adjustments made in computing AMTI are the following:
  - State and local income and property taxes are not allowed as a deduction.
  - Certain interest and other deductions are not allowed.
  - When an ISO is exercised, the spread is added to income for AMT purposes. (See discussion below.)
- **Exemption Amount**. Before AMT is calculated, AMTI is reduced by the exemption amount. Under current law, the exemption amount is as follows:

Year:	Joint Returns:	Single Returns:	Separate Returns:
2020[2]	$ 113,400	$ 72,900	$ 56,700

The allowable exemption amount is reduced by $0.25 for each $1.00 by which alternative minimum taxable income for the year exceeds the following amounts:

Year:	Joint Returns:	Single Returns:	Separate Returns:
2020[3]	$ 1,036,800	$ 518,400	$ 518,400

This means, for example, in 2020, the $113,400 exemption amount is phased out completely for married individuals filing joint returns when their alternative minimum taxable income reaches $1,490,400 [($113,400 ÷ $0.25) + $1,036,800].

APPLICATION OF AMT WHEN ISO IS EXERCISED

As noted above, when an ISO is exercised, the spread is included in AMTI at the time of exercise.

A special rule applies if you dispose of the Purchased Shares in the same year in which you exercised the ISO. If the amount you realize on the sale is less than the value of the stock at the time of exercise, then the amount includible in AMTI on account of the ISO exercise is limited to the gain realized on the sale.[4]

To the extent that your AMT is attributable to the spread on exercising an ISO (and certain other items), you may be able to apply the AMT that you paid as a credit against your income tax liability in future years. But the rules on calculating the available tax credits were amended frequently in recent years and have become extraordinarily complex. On this issue in particular, you must consult your own tax adviser.

2 Amounts are indexed for inflation in future years.
3 Amounts are indexed for inflation in future years.
4 This is similar to the rule that applies under the regular tax system in the event of a disqualifying disposition of ISO stock. The amount of ordinary income that must be recognized in that case generally does not exceed the amount of the gain realized in the disposition.

When Purchased Shares are sold, your basis for purposes of computing the capital gain or loss under the AMT system is increased by the option spread that exists at the time of exercise. Again, an ISO is treated under the AMT system much like an NSO is treated under the regular tax system. But your basis in the ISO shares for purposes of computing gain or loss under the regular tax system does *not* reflect any AMT that you pay on the spread at exercise. Therefore, if you pay AMT in the year of the ISO exercise and regular income tax in the year of selling the Purchased Shares, you could pay tax twice on the same gain (except to the extent that you can use the AMT credit described above).

SECTION 409A OF THE INTERNAL REVENUE CODE

The preceding summary assumes that section 409A of the Internal Revenue Code does not apply to your option. In general, your option is exempt from section 409A if the exercise price per share is at least equal to the fair market value per share of the Company's Class A Common Stock at the time the option was granted by the Board of Directors. Since shares of Class A Common Stock are not traded on an established securities market, the determination of their fair market value generally is made by the Board of Directors or by an independent appraisal firm retained by the Company. In either case, there is no guarantee that the Internal Revenue Service will agree with the valuation.

If your option were found to be subject to section 409A, then you would be required to recognize ordinary income as early as the year in which the option (or portion thereof) vests. This amount would also be subject to a 20% federal tax *in addition to* the federal income tax at your usual marginal rate for ordinary income. Additional state income taxes may apply in some states.

DISCLAIMER UNDER IRS CIRCULAR 230

To ensure compliance with requirements imposed by U.S. tax authorities, we inform you that any U.S. tax advice contained in the foregoing summary is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding United States federal, state or local tax penalties, or (ii) promoting, marketing or recommending to another party any matters addressed herein (including any attachments).

PEPGEN INC. 2020 STOCK PLAN:
SUMMARY OF STOCK GRANT (FOR SERVICES)

The Transferee is acquiring shares of the Class A Common Stock of PepGen Inc. (the "Company") on the following terms:

Name of Transferee:	«Name»
Total Number of Transferred Shares:	«TotalShares»
Date of Transfer:	«DateTransfer»
Vesting Commencement Date:	«VestComDate»
Vesting Schedule:	«Percent»% of the Transferred Shares shall vest, and the Forfeiture Condition shall lapse with respect to such shares, when the Transferee completes «CliffPeriod» months of continuous Service beginning with the Vesting Commencement Date set forth above. An additional «Fraction»% of the Transferred Shares shall vest, and the Forfeiture Condition shall lapse with respect to such shares, when the Transferee completes each month of continuous Service thereafter.

By signing below or otherwise accepting this award in a manner acceptable to the Company, the Transferee and the Company agree that the acquisition of the Transferred Shares is governed by the terms and conditions of this Summary of Stock Grant, the 2020 Stock Plan and the Stock Grant Agreement. Both of these latter documents are attached to, and made a part of, this Summary of Stock Grant. Capitalized terms not otherwise defined herein or in the Stock Grant Agreement shall have the meanings set forth in the Plan.

By signing below, the Transferee consents, with respect to all shares of capital stock of the Company held by the Transferee, to receive any notice given by the Company under its certificate of incorporation or bylaws, as the same may be amended and/or restated from time to time, the General Corporation Law of the State of Delaware (the "**General Corporation Law**") or otherwise, by electronic transmission pursuant to Section 232 of the General Corporation Law at the email address set forth below. The Transferee further acknowledges and agrees that the Company may rely upon any expressions of the Transferee's consent to proposed corporate actions received from the email address provided below. The Transferee hereby agrees to notify the Company of any change to his or her email address set forth below, and further agrees that the provision of such notice shall constitute the Transferee's consent to receive notice and to provide the Transferee's expression of consent as provided herein at such address. In the event that the Company is unable to deliver notice to the Transferee at the e-mail address set forth below, the Transferee shall, within five (5) days after a request by the Company, provide the Company with a valid e-mail address to which the Transferee consents to receive notice and to provide expressions of consent as provided herein.

TRANSFEREE:

_____

Email Address:

_____

Mailing Address:

_____

PEPGEN INC.

By: _____

Title: _____

PEPGEN INC. 2020 STOCK PLAN:

STOCK GRANT AGREEMENT (FOR SERVICES)

SECTION 1. ACQUISITION OF SHARES.

(a) **Transfer**. On the terms and conditions set forth in the Summary of Stock Grant, this Agreement and the Plan, the Company agrees to transfer to the Transferee the number of Shares set forth in the Summary of Stock Grant. The transfer shall occur at the offices of the Company on the date of transfer set forth in the Summary of Stock Grant or at such other place and time as the parties may agree.

(b) **Consideration**. The Transferee and the Company agree that the Transferred Shares are being issued to the Transferee as consideration for a portion of the services performed by the Transferee for the Company. The value of such portion is agreed to be not less than 100% of the Fair Market Value of the Transferred Shares.

(c) **Stock Plan and Defined Terms**. The transfer of the Transferred Shares is subject to the Plan, a copy of which the Transferee acknowledges having received. The provisions of the Plan are incorporated into this Agreement by this reference. Except as otherwise defined in this Agreement (including without limitation Section 12 hereof), capitalized terms shall have the meaning ascribed to such terms in the Plan.

SECTION 2. FORFEITURE CONDITION.

(a) **Scope of Forfeiture Condition**. Until they vest in accordance with Subsection (b) below, the Transferred Shares shall be subject to forfeiture to the Company and shall be referred to as "**Restricted Shares**." The Transferee shall not transfer, assign, encumber or otherwise dispose of any Restricted Shares without the Company's written consent, except as provided in the following sentence. The Transferee may transfer Restricted Shares to one or more members of the Transferee's Immediate Family or to a trust or other entity established by the Transferee solely for the benefit of the Transferee and/or one or more members of the Transferee's Immediate Family, provided in either case that the Transferee agrees in writing on a form prescribed by the Company to be bound by all provisions of this Agreement. If the Transferee transfers any Restricted Shares, then this Agreement shall apply to the Subsequent Transferee to the same extent as to the Transferee.

(b) **Vesting**. The Transferred Shares shall vest, and the Forfeiture Condition shall lapse with respect to the Transferred Shares, in accordance with the vesting schedule set forth in the Summary of Stock Grant.

(c) **Execution of Forfeiture**. The Forfeiture Condition shall be applicable only if the Transferee's Service terminates for any reason, with or without cause, including (without limitation) death or disability, before all Transferred Shares have become vested. In the event that the Transferee's Service terminates for any reason, any certificate(s) representing any remaining

Restricted Shares shall be delivered to the Company. If the Restricted Shares are not represented by certificate, the forfeiture shall be effected by an appropriate book entry on the stock ledger for the Shares. The Company shall make no payment for Transferred Shares that are forfeited.

(d) **Additional or Exchanged Securities and Property**. In the event of a merger or consolidation of the Company, a sale of all or substantially all of the Company's stock or assets, any other corporate reorganization, the declaration of a stock dividend, the declaration of an extraordinary dividend payable in a form other than stock, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities, any securities or other property (including cash or cash equivalents) that are by reason of such transaction exchanged for, or distributed with respect to, any Restricted Shares or into which such Restricted Shares thereby become convertible shall immediately be subject to the Forfeiture Condition. Appropriate adjustments to reflect the exchange or distribution of such securities or property shall be made to the number and/or class of the Restricted Shares.

(e) **Termination of Rights as Stockholder**. If Transferred Shares are forfeited in accordance with this Section 2, then the person who is to forfeit such Transferred Shares shall no longer have any rights as a holder of such Transferred Shares. Such Transferred Shares shall be deemed to have been forfeited in accordance with the applicable provisions hereof, whether or not any certificate(s) therefor have been delivered as required by this Agreement.

(f) **Escrow**. Upon issuance, any certificates for Restricted Shares shall be deposited in escrow with the Company to be held in accordance with the provisions of this Agreement. Any new, substituted or additional securities or other property described in Subsection (d) above shall immediately be delivered to the Company to be held in escrow, but only to the extent the Transferred Shares are at the time Restricted Shares. All regular cash dividends on Restricted Shares (or other securities at the time held in escrow) shall be paid directly to the Transferee and shall not be held in escrow. Restricted Shares, together with any other assets or securities held in escrow hereunder, shall be (i) surrendered to the Company for forfeiture and cancellation in the event that the Forfeiture Condition or Right of First Refusal applies or (ii) released to the Transferee upon the Transferee's request to the extent the Transferred Shares are no longer Restricted Shares (but not more frequently than once every six months). In any event, all Transferred Shares that have vested (and any other vested assets and securities attributable thereto) shall be released within 60 days after the earlier of (i) the termination of the Transferee's Service or (ii) the lapse of the Right of First Refusal.

(g) **Part-Time Employment and Leaves of Absence**. If the Transferee commences working on a part-time basis, then the Company may adjust the vesting schedule set forth in the Summary of Stock Grant. If the Transferee goes on a leave of absence, then, to the extent permitted by applicable law, the Company may adjust or suspend the vesting schedule set forth in the Summary of Stock Grant. Except as provided in the preceding sentence, Service shall be deemed to continue while the Transferee is on a *bona fide* leave of absence approved by the Company in writing. Service shall be deemed to terminate when such leave ends, unless the Transferee immediately returns to active work when such leave ends.

SECTION 3. RIGHT OF FIRST REFUSAL.

(a) **Right of First Refusal**. In the event that the Transferee proposes to sell, pledge or otherwise transfer to a third party any Transferred Shares, or any interest in Transferred Shares, the Company shall have the Right of First Refusal with respect to all (and not less than all) of such Transferred Shares. If the Transferee desires to transfer Transferred Shares, the Transferee shall give a written Transfer Notice to the Company describing fully the proposed transfer, including the number of Transferred Shares proposed to be transferred, the proposed transfer price, the name and address of the proposed Subsequent Transferee and proof satisfactory to the Company that the proposed sale or transfer will not violate any applicable federal, State or foreign securities laws. The Transfer Notice shall be signed both by the Transferee and by the proposed Subsequent Transferee and must constitute a binding commitment of both parties to the transfer of the Transferred Shares. The Company shall have the right to purchase all, and not less than all, of the Transferred Shares on the terms of the proposal described in the Transfer Notice (subject, however, to any change in such terms permitted under Subsection (b) below) by delivery of a notice of exercise of the Right of First Refusal within 30 days after the date when the Transfer Notice was received by the Company.

(b) **Transfer of Shares**. If the Company fails to exercise its Right of First Refusal within 30 days after receiving the Transfer Notice, the Transferee may, not later than 90 days after the Company received the Transfer Notice, conclude a transfer of the Transferred Shares subject to the Transfer Notice on the terms and conditions no less favorable to the Transferee than those described in the Transfer Notice, provided that any such sale is made in compliance with applicable federal, State and foreign securities laws and not in violation of any other contractual restrictions to which the Transferee is bound. Any proposed transfer on terms and conditions less favorable than those described in the Transfer Notice, as well as any subsequent proposed transfer by the Transferee, shall again be subject to the Right of First Refusal and shall require compliance with the procedure described in Subsection (a) above. If the Company exercises its Right of First Refusal, the parties shall consummate the sale of the Transferred Shares on the terms set forth in the Transfer Notice within 60 days after the Company received the Transfer Notice (or within such longer period as may have been specified in the Transfer Notice); provided, however, that in the event the Transfer Notice provided that payment for the Transferred Shares was to be made in a form other than cash or cash equivalents paid at the time of transfer, the Company shall have the option of paying for the Transferred Shares with cash or cash equivalents equal to the present value of the consideration described in the Transfer Notice.

(c) **Additional or Exchanged Securities and Property**. In the event of a merger or consolidation of the Company, a sale of all or substantially all of the Company's stock or assets, any other corporate reorganization, a stock split, the declaration of a stock dividend, the declaration of an extraordinary dividend payable in a form other than stock, a spin-off, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities, any securities or other property (including cash or cash equivalents) that are by reason of such transaction exchanged for, or distributed with respect to, any Transferred Shares subject to this Section 3 shall immediately be subject to the Right of First Refusal. Appropriate adjustments to reflect the exchange or distribution of such securities or property shall be made to the number and/or class of the Transferred Shares subject to this Section 3.

(d) **Termination of Right of First Refusal**. Any other provision of this Section 3 notwithstanding, in the event that the Stock is readily tradable on an established securities market when the Transferee desires to transfer Transferred Shares, the Company shall have no Right of First Refusal, and the Transferee shall have no obligation to comply with the procedures prescribed by Subsections (a) and (b) above.

(e) **Permitted Transfers**. This Section 3 shall not apply to (i) a transfer by beneficiary designation, will or intestate succession or (ii) a transfer to one or more members of the Transferee's Immediate Family or to a trust or other entity established by the Transferee solely for the benefit of the Transferee and/or one or more members of the Transferee's Immediate Family, provided in either case that the Transferee agrees in writing on a form prescribed by the Company to be bound by all provisions of this Agreement. If the Transferee transfers any Transferred Shares, either under this Subsection (e) or after the Company has failed to exercise the Right of First Refusal, then this Agreement shall apply to the Subsequent Transferee to the same extent as to the Transferee.

(f) **Termination of Rights as Stockholder**. If the Company makes available, at the time and place and in the amount and form provided in this Agreement, the consideration for the Shares to be purchased in accordance with this Section 3, then after such time the person from whom such Shares are to be purchased shall no longer have any rights as a holder of such Shares (other than the right to receive payment of such consideration in accordance with this Agreement). Such Shares shall be deemed to have been purchased in accordance with the applicable provisions hereof, whether or not any certificate(s) therefor have been delivered as required by this Agreement.

(g) **Assignment of Right of First Refusal**. The Board of Directors may freely assign the Company's Right of First Refusal, in whole or in part. Any person who accepts an assignment of the Right of First Refusal from the Company shall be entitled to and assume all of the Company's rights and obligations under this Section 3.

SECTION 4. OTHER RESTRICTIONS ON TRANSFER.

(a) **Transferee Representations**. In connection with the issuance and acquisition of Shares under this Agreement, the Transferee hereby represents and warrants to the Company as follows:

(i) The Transferee is acquiring and will hold the Transferred Shares for investment for his or her account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act.

(ii) The Transferee understands that the Transferred Shares have not been registered under the Securities Act by reason of a specific exemption therefrom and that the Transferred Shares must be held indefinitely, unless their sale or other transfer is subsequently registered under the Securities Act or the Transferee obtains an opinion of counsel, in form and substance satisfactory to the

Company and its counsel, that such registration is not required. The Transferee further acknowledges and understands that the Company is under no obligation to register the Transferred Shares.

(iii) The Transferee is aware of Rule 144 under the Securities Act, which permits limited public resales of securities acquired in a non-public offering, subject to the satisfaction of certain conditions. These conditions may include (without limitation) that certain current public information about the issuer be available, that the resale occur only after a holding period required by Rule 144 has been satisfied, that the sale occur through an unsolicited "broker's transaction," and that the amount of securities being sold during any three-month period not exceed specified limitations. The Transferee acknowledges and understands that the conditions for resale set forth in Rule 144 have not been satisfied as of the Date of Transfer and that the Company is not required to take action to satisfy any such conditions.

(iv) The Transferee will not sell, transfer or otherwise dispose of the Transferred Shares in violation of the Securities Act, the Securities Exchange Act of 1934, or the rules promulgated thereunder, including Rule 144 under the Securities Act. The Transferee agrees that he or she will not dispose of the Transferred Shares unless and until he or she has complied with all requirements of this Agreement applicable to the disposition of Transferred Shares and he or she has provided the Company with written assurances, in substance and form satisfactory to the Company, that (A) the proposed disposition does not require registration of the Transferred Shares under the Securities Act or all appropriate action necessary for compliance with the registration requirements of the Securities Act or with any exemption from registration available under the Securities Act (including Rule 144) has been taken and (B) the proposed disposition will not result in the contravention of any transfer restrictions applicable to the Transferred Shares under applicable state law.

(v) The Transferee has received and has had access to such information as he or she considers necessary or appropriate for deciding whether to invest in the Transferred Shares, and the Transferee has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the issuance of the Transferred Shares.

(vi) The Transferee is aware that his or her investment in the Company is a speculative investment that has limited liquidity and is subject to the risk of complete loss. The Transferee is able, without impairing his or her financial condition, to hold the Transferred Shares for an indefinite period and to suffer a complete loss of his or her investment in the Transferred Shares.

(b) **General Restrictions**. Unless the Stock is readily tradeable on an established securities market, the transfer of any Shares acquired pursuant to this Agreement (or any interest therein) shall, at the Company's request, be conditioned upon (i) effecting such transfer pursuant to a form of stock transfer agreement prescribed by the Company and (ii) payment of a transfer fee not to exceed $5,000.

(c) **Securities Law Restrictions**. Regardless of whether the offer and sale of Shares under the Plan have been registered under the Securities Act or have been registered or qualified under the securities laws of any State or other relevant jurisdiction, the Company at its discretion may impose restrictions upon the sale, pledge or other transfer of the Transferred Shares (including the placement of appropriate legends on the stock certificates (or electronic equivalent) or the imposition of stop-transfer instructions) and may refuse (or may be required to refuse) to transfer Shares acquired hereunder (or Shares proposed to be transferred in a subsequent transfer) if, in the judgment of the Company, such restrictions, legends or refusal are necessary or appropriate to achieve compliance with the Securities Act or other relevant securities or other laws, including without limitation under Regulation S of the Securities Act or pursuant to another available exemption from registration.

(d) **Market Stand-Off**. In connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act, including the Company's initial public offering, the Transferee or a Subsequent Transferee shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any Transferred Shares without the prior written consent of the Company or its managing underwriter. Such restriction (the "Market Stand-Off") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Company or such underwriter. In no event, however, shall such period exceed 180 days plus such additional period as may reasonably be requested by the Company or such underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports or (ii) analyst recommendations and opinions, including (without limitation) the restrictions set forth in Rule 2711(f)(4) of the National Association of Securities Dealers and Rule 472(f)(4) of the New York Stock Exchange, as amended, or any similar successor rules. The Market Stand-Off shall in any event terminate two years after the date of the Company's initial public offering. In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any Shares subject to the Market Stand-Off, or into which such Shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Company may impose stop-transfer instructions with respect to the Transferred Shares until the end of the applicable stand-off period. The Company's underwriters shall be beneficiaries of the agreement set forth in this Subsection (d). This Subsection (d) shall not apply to Shares registered in the public offering under the Securities Act.

(e) **Rights of the Company**. The Company shall not be required to (i) transfer on its books any Transferred Shares that have been sold or transferred in contravention of this Agreement or (ii) treat as the owner of Transferred Shares, or otherwise to accord voting, dividend or liquidation rights to, any Subsequent Transferee to whom Transferred Shares have been transferred in contravention of this Agreement.

SECTION 5. SUCCESSORS AND ASSIGNS.

Except as otherwise expressly provided to the contrary, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and be binding upon the Transferee and the Transferee's legal representatives, heirs, legatees, distributees, assigns and transferees by operation of law, whether or not any such person has become a party to this Agreement or has agreed in writing to join herein and to be bound by the terms, conditions and restrictions hereof.

SECTION 6. NO RETENTION RIGHTS.

Nothing in this Agreement or in the Plan shall confer upon the Transferee any right to continue providing services to the Company for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Parent or Subsidiary employing or retaining the Transferee) or of the Transferee, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without cause.

SECTION 7. TAX ELECTION.

The acquisition of the Transferred Shares may result in adverse tax consequences that may be avoided or mitigated by filing an election under Code Section 83(b). Such election may be filed only within 30 days after the date of transfer set forth in the Summary of Stock Grant. The form for making the Code Section 83(b) election is attached to this Agreement as an Exhibit. **The Transferee should consult with his or her tax advisor to determine the tax consequences of acquiring the Transferred Shares and the advantages and disadvantages of filing the Code Section 83(b) election. The Transferee acknowledges that it is his or her sole responsibility, and not the Company's, to file a timely election under Code Section 83(b), even if the Transferee requests the Company or its representatives to make this filing on his or her behalf.**

SECTION 8. LEGENDS.

Any certificates (or electronic equivalent) evidencing Transferred Shares shall bear the following legends:

"THE SHARES REPRESENTED HEREBY (AND ANY INTEREST THEREIN) MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF, EXCEPT IN COMPLIANCE WITH THE TERMS OF THE STOCK GRANT AGREEMENT PURSUANT TO WHICH SUCH SHARES WERE ACQUIRED. SUCH AGREEMENT GRANTS TO THE COMPANY CERTAIN RIGHTS OF FIRST REFUSAL UPON AN ATTEMPTED TRANSFER OF THE SHARES AND IMPOSES CERTAIN

FORFEITURE CONDITIONS UPON TERMINATION OF SERVICE WITH THE COMPANY. IN ADDITION, THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFER AS SET FORTH IN SUCH STOCK GRANT AGREEMENT. THE SECRETARY OF THE COMPANY WILL UPON WRITTEN REQUEST FURNISH A COPY OF SUCH STOCK GRANT AGREEMENT TO THE HOLDER HEREOF WITHOUT CHARGE."

Any certificates (or electronic equivalent) evidencing the Transferred Shares acquired under this Agreement in an unregistered transaction shall bear the following legend (and such other restrictive legends as are required or deemed advisable under the provisions of any applicable law):

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY SECURITIES LAWS OF ANY U.S. STATE, AND MAY NOT BE SOLD, REOFFERED, PLEDGED, ASSIGNED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED. IN THE ABSENCE OF REGISTRATION OR THE AVAILABILITY (CONFIRMED BY OPINION OF COUNSEL) OF AN ALTERNATIVE EXEMPTION FROM REGISTRATION UNDER THE ACT (INCLUDING WITHOUT LIMITATION IN ACCORDANCE WITH REGULATION S UNDER THE ACT), THESE SHARES MAY NOT BE SOLD, REOFFERED, PLEDGED, ASSIGNED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED OF. HEDGING TRANSACTIONS INVOLVING THESE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT."

If required by the authorities of any State in connection with the issuance of the Transferred Shares, the legend or legends required by such State authorities shall also be endorsed on all such certificates.

SECTION 9. DRAG ALONG RIGHT.

(a) **Required Actions**. If the Requisite Parties approve a Sale of the Company, then Transferee hereby agrees with respect to all Shares which the Transferee own(s) or over which the Transferee otherwise exercises voting or dispositive authority:

(i) if such Sale of the Company requires stockholder approval under the Certificate, the Bylaws of the Company or any law, rule or regulation applicable to the Company, to vote (in person, by proxy or by action by written consent, as applicable) such Shares in favor of such Sale of the Company (it being understood that, within five (5) days after the delivery of a proxy or consent solicitation statement (or similar document requesting the consent or approval of stockholders) in respect of any Sale of the Company, the Stockholder shall duly execute and deliver a proxy or consent, as the case may be, in favor of such Sale of the Company);

(ii) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by the Transferee as is being sold by the Selling Holders to the person to whom the Selling Holders propose to sell their Shares;

(iii) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company;

(iv) if the consideration for such Shares pursuant to the Sale of the Company includes any securities, accept in lieu thereof an amount of cash equal to the fair value (as determined in good faith by the Company) of such securities to the extent reasonably necessary (as determined in good faith by the Company) to comply with applicable federal and state securities laws;

(v) if the Selling Holders appoint a stockholder representative (the "**Stockholder Representative**") for matters affecting the stockholders of the Company under the applicable definitive transaction agreements, to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the Company and its related service as the representative of the Stockholders;

(vi) to agree to make representations and warranties and to agree to indemnity and other liability obligations in connection with the Sale of the Company on terms and conditions that, taken as a whole, are no less favorable to Transferee than to other holders of Class A Common Stock of the Company; and

(vii) to execute and deliver all related documentation and take such other action in support of the Sale of the Company, as reasonably requested by the Company, including a written consent, release and/or joinder, and to not take any action inconsistent with the Sale of the Company.

(b) **Exceptions**. Notwithstanding the foregoing, a Transferee will not be required to comply with Subsection (a) above in connection with any Sale of the Company unless (i) each holder of each class or series of the Company's stock will receive the same form of consideration for their shares of such class or series as is received by other holders in respect of their shares of such same class or series of stock and (ii) each holder of Class A Common Stock will receive the same amount of consideration per share of Class A Common Stock as is received by other holders in respect of their shares of Class A Common Stock, subject, in each case, to any "rollover" or similar arrangements provided in the definitive documents relating to such Sale of

the Company. If the consideration to be paid in exchange for the Shares pursuant to such Sale of the Company includes any securities and due receipt thereof by the Transferee would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to any Transferee of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Transferee in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Transferee, an amount in cash equal to the fair value (as determined in good faith by the Company's Board of Directors or the Requisite Parties, as applicable) of the securities which such Transferee would otherwise receive as of the date of the issuance of such securities in exchange for the Shares.

SECTION 10. MISCELLANEOUS PROVISIONS.

(a) **Choice of Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware (except its choice-of-law provisions), as such laws are applied to contracts entered into and performed in such State.

(b) **Notice.** Any notice required by the terms of this Agreement shall be given in writing. It shall be deemed effective upon (i) personal delivery, (ii) deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, (iii) deposit with Federal Express Corporation, with shipping charges prepaid or (iv) deposit with any internationally recognized express mail courier service, with shipping charges prepaid. Notice shall be addressed to the Company at its principal executive office and to the Transferee at the address that he or she most recently provided to the Company in accordance with this Subsection (b). In addition, to the extent required or permitted pursuant to rules established by the Company from time to time, notices may be delivered electronically.

(c) **Entire Agreement**. The Summary of Stock Grant, this Agreement and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof. They supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to the subject matter hereof.

(d) **Modifications and Waivers**. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by the Transferee and an authorized officer of the Company (other than the Transferee). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision of or of the same condition or provision at another time.

(e) **Severability**. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

(f) **Binding Effect on Transferees, Heirs, Successors and Assigns**. This Agreement shall be binding upon Transferee's permitted transferees, heirs, successors and assigns; provided that for any such transfer to be deemed effective, the transferee shall agree on a form prescribed by the Company to be bound by the terms and conditions of this Agreement, including the forfeiture condition in Section 2, the right of first refusal in Section 3, the restrictions on transfer in Section 4 and the drag along right in Section 9. The Company shall not record any transfer of Shares on its books or issue a new certificate representing any such Shares unless and until such transferee shall have complied with the terms of this Subsection (f).

SECTION 11. ACKNOWLEDGEMENTS OF THE TRANSFEREE.

In addition to the other terms, conditions and restrictions imposed on the Shares acquired pursuant to this Agreement, the Transferee expressly acknowledges being subject to Sections 2 (Forfeiture Condition), 3 (Right of First Refusal), 4 (Other Restrictions on Transfer, including without limitation the Market Stand-Off) and 9 (Drag Along Right), as well as the following provisions:

(a) **Electronic Delivery of Documents**. The Transferee acknowledges and agrees that the Company may, in its sole discretion, deliver all documents relating to the Company, the Plan or this award and all other documents that the Company is required to deliver to its security holders (including, without limitation, disclosures that may be required by the Securities and Exchange Commission) by email or other means of electronic transmission (including by posting them on a website maintained by the Company or a third party under contract with the Company). The Transferee acknowledges that he or she may incur costs in connection with any such delivery by means of electronic transmission, including the cost of accessing the internet and printing fees, and that an interruption of internet access may interfere with his or her ability to access the documents.

(b) **Tax Consequences and Withholding**. The Transferee agrees that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes the Transferee's tax liabilities. The Transferee shall not make any claim against the Company or its Board of Directors, officers or employees related to tax liabilities arising from this award or the Transferee's other compensation. In the event that the Company determines that it is required to withhold any tax (including without limitation any income tax, social insurance contributions, payroll tax, payment on account or other tax-related items arising in connection with the Transferee's participation in the Plan and legally applicable to the Transferee (the "**Tax-Related Items**")) as a result of the grant or vesting of the Transferred Shares, the Transferee, as a condition of this award, shall make arrangements satisfactory to the Company to enable it to satisfy all Tax-Related Items. The Transferee acknowledges that the responsibility for all Tax-Related Items is the Transferee's and may exceed the amount actually withheld by the Company (or its affiliate or agent).

(c) **Waiver of Statutory Information Rights**. The Transferee acknowledges and agrees that, until the first sale of the Company's Stock to the general public pursuant to a registration statement filed under the Securities Act, he or she shall waive, and shall be deemed to have waived, any rights the Transferee would otherwise have under Section 220 of the Delaware General Corporation Law (or under similar rights pursuant to any other applicable law) to inspect

for any purpose and to make copies and extracts from the Company's stock ledger, a list of its stockholders and its other books and records or the books and records of any subsidiary of the Company (the "**Inspection Rights**"). The Transferee acknowledges and understands that, but for the waiver made herein, the Transferee would be entitled, upon compliance with the procedures set forth in Section 220 of the Delaware General Corporation Law, to Inspection Rights pursuant thereto, and further acknowledges and agrees that the waiver set forth herein is a knowing and voluntary waiver of such rights, that the Transferee has received sufficient consideration for such waiver and that the Company would not be willing to provide the benefits to the Transferee hereunder without the benefit of such waiver from the Transferee. This waiver applies only in the Transferee's capacity as a stockholder and does not affect any other inspection rights the Transferee may have pursuant to any written agreement with the Company.

(d) **Plan Discretionary**. The Transferee understands and acknowledges that (i) the Plan is entirely discretionary, (ii) the Company and the Transferee's employer have reserved the right to amend, suspend or terminate the Plan at any time, (iii) the transfer of the Transferred Shares does not in any way create any contractual or other right to receive additional awards under the Plan at any time or in any amount and (iv) all determinations with respect to any additional awards, including (without limitation) the times when awards will be granted, the number of Shares offered and the vesting schedule, will be at the sole discretion of the Company.

(e) **Termination of Service**. The Transferee understands and acknowledges that participation in the Plan ceases upon termination of his or her Service for any reason, except as may explicitly be provided otherwise in the Plan or this Agreement.

(f) **Extraordinary Compensation**. The value of the Transferred Shares shall be an extraordinary item of compensation outside the scope of the Transferee's employment contract, if any, and shall not be considered a part of his or her normal or expected compensation for purposes of calculating severance, resignation, redundancy or end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

(g) **Authorization to Disclose**. The Transferee hereby authorizes and directs the Transferee's employer to disclose to the Company or any Subsidiary any information regarding the Transferee's employment, the nature and amount of the Transferee's compensation and the fact and conditions of the Transferee's participation in the Plan, as the Transferee's employer deems necessary or appropriate to facilitate the administration of the Plan.

(h) **Personal Data Authorization**. The Transferee consents to the collection, use and transfer of personal data as described in this Subsection (h). The Transferee understands and acknowledges that the Company, the Transferee's employer and the Company's other Subsidiaries hold certain personal information regarding the Transferee for the purpose of managing and administering the Plan, including (without limitation) the Transferee's name, home address, telephone number, date of birth, social insurance number, salary, nationality, job title, any Shares or directorships held in the Company and details of all options or any other entitlements to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Transferee's favor (the "**Data**"). The Transferee further understands and acknowledges that the Company and/or its Subsidiaries will transfer Data among themselves as necessary for the purpose of implementation, administration and management of the Transferee's participation in the Plan and that the Company

and/or any Subsidiary may each further transfer Data to any third party assisting the Company in the implementation, administration and management of the Plan. The Transferee understands and acknowledges that the recipients of Data may be located in the United States or elsewhere. The Transferee authorizes such recipients to receive, possess, use, retain and transfer Data, in electronic or other form, for the purpose of administering the Transferee's participation in the Plan, including a transfer to any broker or other third party with whom the Transferee elects to deposit Shares acquired under the Plan of such Data as may be required for the administration of the Plan and/or the subsequent holding of Shares on the Transferee's behalf. The Transferee may, at any time, view the Data, require any necessary modifications of Data or withdraw the consents set forth in this Subsection (h) by contacting the Company in writing.

SECTION 12. DEFINITIONS.

(a) "**Agreement**" shall mean this Stock Grant Agreement.

(b) "**Board of Directors**" shall mean the Board of Directors of the Company, as constituted from time to time or, if a Committee has been appointed, such Committee.

(c) "**Certificate**" shall mean the Company's amended and restated certificate of incorporation, as in effect from time to time.

(d) "**Company**" shall mean PepGen Inc., a Delaware corporation.

(e) "**Forfeiture Condition**" shall mean the forfeiture condition described in Section 2.

(f) "**Immediate Family**" shall mean any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law and shall include adoptive relationships.

(g) "**Plan**" shall mean the PepGen Inc. 2020 Stock Plan, as amended.

(h) "**Requisite Parties**" shall mean both the Board of Directors and the Selling Holders.

(i) "**Restricted Share**" shall mean a Transferred Share that is subject to the Forfeiture Condition.

(j) "**Right of First Refusal**" shall mean the Company's right of first refusal described in Section 3.

(k) "**Sale of the Company**" shall mean: (i) a transaction or series of related transactions in which a person, or a group of related persons, acquires from stockholders of the Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company (a "**Stock Sale**"), (ii) a sale of all or substantially all of the assets of the Company or (iii) any other transaction that qualifies as a "Liquidation Event" as defined in the Certificate.

(l) "**Selling Holders**" shall mean the holders of a majority of the then-outstanding shares of Class A Common Stock (voting together as a single class and on an as-converted basis).

(m) "**Service**" shall mean service as an Employee, Outside Director or Consultant.

(n) "**Subsequent Transferee**" shall mean any person to whom the Transferee has directly or indirectly transferred any Transferred Shares.

(o) "**Transferee**" shall mean the individual named in the Summary of Stock Grant.

(p) "**Transfer Notice**" shall mean the notice of a proposed transfer of Transferred Shares described in Section 3.

(q) "**Transferred Shares**" shall mean the Shares acquired by the Transferee pursuant to this Agreement.

SECTION 83(b) ELECTION

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, and pursuant to Treasury Regulations Section 1.83-2, to include in gross income as compensation for services the fair market value of the shares described below.

(1) The taxpayer who performed the services is:

Name: _____

Address: _____

_____

Social Security No.: _____

(2) The property with respect to which the election is made is shares of the Class A common stock of PepGen Inc.

(3) The property was transferred to the taxpayer on , .

(4) The taxable year for which the election is made is the calendar year .

(5) The property is subject to forfeiture if for any reason taxpayer's service with the issuer terminates. The forfeiture condition lapses in a series of installments over a -year period ending on , .

(6) The fair market value of such property at the time of transfer (determined without regard to any restriction other than a restriction that by its terms will never lapse) is $ per share x shares = $.

(7) No amount was paid for such property.

(8) The amount to include in gross income is $. [***The amount in Line 6.***]

(9) A copy of this statement was furnished to PepGen Inc., for whom taxpayer rendered the services underlying the transfer of such property.

(10) This statement is executed on , .

_____ _____

Spouse (if any) Taxpayer

Within 30 days after the date of transfer of the property, this election must be filed with the Internal Revenue Service office where the taxpayer files his or her annual federal income tax return. The filing should be made by registered or certified mail, return receipt requested. The taxpayer must deliver a copy of the completed form to the Company.

EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (the "***Agreement***") is entered into effective January 21, 2021 (the "***Effective Date***"), by and between James McArthur PhD (the "***Executive***") and PepGen Inc. (the "***Company***").

The Company desires to employ the Executive and, in connection therewith, to compensate the Executive for Executive's personal services to the Company; and

Executive wishes to be employed by the Company and provide personal services and certain covenants to the Company in return for certain compensation and benefits.

Accordingly, in consideration of the mutual promises and covenants contained herein, the parties agree to the following:

1. EMPLOYMENT BY THE COMPANY.

1.1 Position. Subject to the terms set forth herein, the Company agrees to employ Executive in the position of President and Chief Executive Officer, and Executive hereby accepts such employment.

1.2 Start Date. Executive's employment with the Company shall commence on January 21, 2021, or such other date mutually agreed to in writing by Executive and the Company. The date Executive actually commences working for the Company is referred to as Executive's "***Start Date***." Prior to the Start Date or in the event that Executive does not commence employment with the Company under this Agreement, the Company shall have no obligation to provide Executive with compensation and benefits (including, but not limited to, the "Severance Benefits" stated in Section 6.1 or 6.2).

1.3 Duties. Executive will initially report to the Board of Directors (the "***Board***"), performing such duties as are normally associated with Executive's position and such duties as are assigned to Executive from time to time, subject to the oversight and direction of the Board or the Board's designee. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention to the business of the Company. Subject to Section 4 herein, Executive shall perform Executive's duties under this Agreement principally out of the Company's corporate headquarters once established in or around Boston, Massachusetts. In addition, Executive shall make such business trips to such places as may be necessary or advisable for the efficient operations of the Company.

1.4 Company Policies and Benefits. The employment relationship between the parties shall also be subject to the Company's personnel policies and procedures as they may be established, interpreted, adopted, revised or deleted from time to time in the Company's sole discretion. Executive will be eligible to participate on the same basis as similarly-situated Executives in the Company's benefit plans in effect from time to time during Executive's employment. Executive acknowledges and understands that as of the Effective Date, the Company does not offer benefit plans and that once the Company establishes such benefit plans, all matters of eligibility for coverage or benefits under any benefit plan shall be determined in accordance

with the provisions of such plan. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion. Notwithstanding the foregoing, in the event that the terms of this Agreement differ from or are in conflict with the Company's personnel policies and procedures, the terms of this Agreement shall control.

2. COMPENSATION.

2.1 Salary. Executive shall receive for Executive's services to be rendered under this Agreement an initial base salary of $425,000 on an annualized basis, subject to review and upward adjustment (but not reduction) by the Company in its sole discretion, and payable subject to standard federal and state payroll withholding requirements in accordance with the Company's standard payroll practices ("***Base Salary***"). Effective upon the date on which a Liquidity Event is closed, your annual base salary shall be increased to $500,000. The term "Liquidity Event" includes an initial public offering or direct listing of any class of common stock of the Company, or a merger (or similar transaction) with a special purpose acquisition company, the result of which is that any class of common stock of the Company or the parent or successor entity of the Company, is listed on the New York Stock Exchange, the Nasdaq Stock Market or other securities exchange.

2.2 Annual Discretionary Bonus. Executive will be eligible to be awarded a discretionary annual cash bonus with a target of forty percent (40%) of Executive's then-current Base Salary, subject to review and adjustment from time to time by the Company in its sole discretion, payable subject to standard payroll withholding requirements ("***Target Bonus***"). Effective upon January 1 of the year following the date on which the Company's Liquidity Event is closed, Executive's Target Bonus shall be increased to fifty percent (50%) of his annual Base Salary, payable subject to standard payroll withholding requirements. Whether or not Executive is awarded any bonus will be dependent upon (a) the actual achievement by Executive and the Company of the applicable individual and corporate performance goals, as determined by the Board in its sole discretion, and (b) Executive's continuous performance of services to the Company through the date any such bonus is paid. The bonus may be greater or lesser than the Target Bonus and may be zero. Although your Start Date will be after January 1, 2021, provided that you meet the other criteria for receiving a bonus pursuant to this Section 2.2, any bonus you are awarded for 2021 shall not be prorated. In the event your Base Salary is increased during an applicable bonus year, any bonus you are eligible to receive for that year (as a percentage of your Base Salary) will be calculated such that the modified Base Salary rate only applies to the period of time from the effective date of the Base Salary adjustment through the end of the applicable bonus year (and the prior Base Salary rate applies to the period before the Base Salary adjustment). The Board will determine in its sole discretion the extent to which Executive has achieved the performance goals upon which the bonus is based and the amount of the bonus, if any.

2.3 Stock Option. The Company has not yet adopted an equity incentive plan but expects to adopt an equity incentive plan as soon as administratively feasible after the date of this Agreement. Subject to adoption of an equity plan and the approval of the Board, and subject to your continued employment with the Company through the date the Option (as defined below) is granted by the Board, the Company intends to grant you an option covering 362,718 shares of its common stock, which at present represents 5% of the Company's fully-diluted post Series A capitalization (the "***Option***"), at an exercise price that is no less than the fair market value per share

of such Common Stock as of the date of grant of the Option. The Option will be an incentive stock option under Section 422 of the Internal Revenue Code to the extent permitted by applicable law, and otherwise will be a non-qualified stock option. The Option will be subject to standard vesting terms (25% cliff at first anniversary of your Start Date, and the balance vesting monthly over the following thirty-six (36) months, subject to your continued employment with the Company as of each such vesting date). The Option will be subject to the terms of the to-be established equity incentive plan ("***Plan***"), and the Company's standard form of stock option agreement and grant notice, which you will be required to sign. Subject to Board approval, the Option will contain an "early exercise" feature by which you may elect to exercise the Option before it has vested in exchange for restricted common stock subject to the same vesting conditions as the Option and subject to an early exercise stock purchase agreement with terms and conditions satisfactory to the Company. For clarity, the term "fully diluted post Series A capitalization" means the number of issued and outstanding shares of capital stock, determined on an as-converted to common stock basis, the number of shares of capital stock subject to outstanding options, warrants or other equity awards, the shares reserved for issuance under any Company equity plan (which are not subject to outstanding equity awards), and the shares issuable upon the conversion of any convertible notes.

2.4 **Expense Reimbursement**. The Company will reimburse Executive for reasonable business expenses in accordance with the Company's standard expense reimbursement policy, as the same may be modified by the Board from time to time. The Company shall reimburse Executive for all customary and appropriate business-related expenses actually incurred and documented in accordance with Company policy, as in effect from time to time. For the avoidance of doubt, to the extent that any reimbursements payable to Executive are subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"): (a) any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, (b) the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and (c) the right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

3. **CONFIDENTIAL INFORMATION, INVENTIONS, NON-COMPETITION AND NON-SOLICITATION OBLIGATIONS**. As a condition of employment, Executive agrees to execute and abide by the Employee Confidential Information and Invention Assignment Agreement attached as Exhibit A ("***Confidential Information Agreement***"), which may be amended by the parties from time to time without regard to this Agreement. The Confidential Information Agreement contains provisions that are intended by the parties to survive and do survive termination of this Agreement.

4. **OUTSIDE ACTIVITIES DURING EMPLOYMENT**. Except with the prior written consent of the Company, Executive will not, while employed by the Company, undertake or engage in any other employment, occupation or business enterprise that would interfere with Executive's responsibilities and the performance of Executive's duties hereunder, except for (i) reasonable time devoted to volunteer services for or on behalf of such religious, educational, non-profit and/or other charitable organization as Executive may wish to serve, (ii) reasonable time devoted to activities in the non-profit and business communities consistent with Executive's duties, and (iii) such other activities as may be specifically approved in writing by the Company. Notwithstanding the foregoing, the Company and the Executive agree that during the term of

Executive's employment with the Company, the Executive shall be permitted to provide consulting services to Vesuvio, Santi, and Summation at the current level of effort disclosed to the Company and shall not constitute a violation of this Section 4 so long as Executive's services for Vesuvio, Santi, and Summation do not exceed one (1) business day per month. This restriction shall not, however, preclude Executive (i) from owning less than one percent (1%) of the total outstanding shares of a publicly-traded company, or (ii) from employment or service in any capacity with Affiliates of the Company. As used in this Agreement, "***Affiliates***" means an entity under common management or control with the Company. Executive agrees to promptly disclose to the Board his involvement in any activities contemplated by this Section 4.

5. **NO CONFLICT WITH EXISTING OBLIGATIONS**. Executive represents that Executive's performance of all the terms of this Agreement and as an executive of the Company do not and will not breach any agreement or obligation of any kind made prior to Executive's employment by the Company, including agreements or obligations Executive may have with prior employers or entities for which Executive has provided services. Executive has not entered into, and Executive agrees that Executive will not enter into, any agreement or obligation, either written or oral, in conflict herewith.

6. **TERMINATION OF EMPLOYMENT**. The parties acknowledge that Executive's employment relationship with the Company is at-will. Either Executive or the Company may terminate the employment relationship for any reason whatsoever at any time, with or without cause or advance notice. The provisions in this Section govern the amount of compensation, if any, to be provided to Executive upon termination of employment and do not alter this at-will status.

6.1 Termination by the Company without Cause or Resignation by Executive for Good Reason (not in connection with a Change in Control).

(a) The Company shall have the right to terminate Executive's employment with the Company pursuant to this Section 6.1 at any time without "Cause" (as defined below) by giving notice as described in Section 7.1 of this Agreement. A termination pursuant to Sections 6.5 or 6.6 below is not a termination without Cause for purposes of receiving the benefits described in this Section 6.1.

(b) If the Company terminates Executive's employment at any time without Cause or Executive resigns for "Good Reason" (as defined below) and provided that such termination constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h), without regard to any alternative definition thereunder, a "***Separation from Service***"), then Executive shall be entitled to receive the Accrued Obligations (as defined below) and, subject to Executive's compliance with the obligations in Section 6.1(c) below, Executive shall be eligible to receive the following severance benefits (the "***Severance Benefits***"):

(i) The Company will pay Executive an amount equal to Executive's then current Base Salary for twelve (12) months (the "***Severance Period***"), less all applicable withholdings and deductions, and paid in equal installments beginning on the Company's first regularly-scheduled payroll date following the Release Effective Date (as defined below), with the remaining installments occurring on the Company's regularly-scheduled payroll dates thereafter.

(ii) If Executive timely elects continued coverage under COBRA for Executive and Executive's dependents under the Company's group health plans following such termination, then the Company shall pay the COBRA premiums necessary to continue Executive's and his covered dependents' health insurance coverage in effect for Executive (and Executive's covered dependents) on the termination date until the earliest of: (i) the termination of the Severance Period; (ii) the date when Executive becomes eligible for substantially equivalent health insurance coverage in connection with new employment or self-employment; or (iii) the date Executive ceases to be eligible for COBRA continuation coverage for any reason, including plan termination (such period from the termination date through the earlier of (i)-(iii), (the "***COBRA Payment Period***"). Notwithstanding the foregoing, if at any time the Company determines that its payment of COBRA premiums on Executive's behalf would result in a violation of applicable law (including, but not limited to, the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of paying COBRA premiums pursuant to this Section, the Company shall pay Executive on the last day of each remaining month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premium for such month, subject to applicable tax withholding, for the remainder of the COBRA Payment Period. Nothing in this Agreement shall deprive Executive of his rights under COBRA or ERISA for benefits under plans and policies arising under his employment by the Company.

(c) Executive will be paid all of the Accrued Obligations on the Company's first payroll date after Executive's date of termination from employment or earlier if required by law. Executive shall receive the Severance Benefits pursuant to Section 6.1(b) of this Agreement if: (i) by the sixtieth (60th) day following the date of Executive's Separation from Service, he has signed and delivered to the Company a separation agreement containing an effective, general release of claims in favor of the Company and its affiliates and representatives, in a form reasonably presented by the Company (the "***Release***"), which will include a non-competition clause substantially similar to the non-competition clause included in the Confidential Information Agreement attached hereto as Exhibit A, and which cannot be revoked in whole or part by such date (the date that the Release can no longer be revoked is referred to as the "***Release Effective Date***"); (ii) if he holds any other positions with the Company or any Affiliate, including a position on the Board, he resigns such position(s) to be effective no later than the date of Executive's termination date (or such other date as requested by the Board); (iii) he returns all Company property; (iv) he is in compliance with his post-termination obligations under this Agreement and the Proprietary Information Agreement when any such Severance Benefits are due and payable; and (v) he complies with the terms of the Release, including without limitation any mutual non-disparagement and confidentiality provisions contained in the Release. To the extent that any of the Severance Benefits are deferred compensation under Section 409A of the Code, and are not otherwise exempt from the application of Section 409A, then, if the period during which Executive may consider and sign the Release spans two calendar years, the payment of the Severance Benefits will not be made or begin until the later calendar year.

(d) For purposes of this Agreement, "***Accrued Obligations***" are (i) Executive's accrued but unpaid salary through the date of termination, (ii) any unreimbursed

business expenses incurred by Executive payable in accordance with the Company's standard expense reimbursement policies, and (iii) benefits owed to Executive under any qualified retirement plan or health and welfare benefit plan in which Executive was a participant in accordance with applicable law and the provisions of such plan.

(e) The Severance Benefits provided to Executive pursuant to this Section 6.1 are in lieu of, and not in addition to, any benefits to which Executive may otherwise be entitled under any Company severance plan, policy or program.

(f) Any damages caused by the termination of Executive's employment without Cause would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the parties as liquidated damages, to serve as full compensation, and not a penalty.

(g) "***Good Reason***" for purposes of this Agreement shall mean the occurrence of any of the following conditions without Executive's consent, after Executive's provision of written notice to the Company of the existence of such condition (which notice must be provided as described in Section 7.1 within ninety (90) days of the initial existence of the condition and must specify the particular condition in reasonable detail), provided that the Company has not first provided notice to Executive of its intent to terminate Executive's employment: (i) a material reduction in Executive's duties, responsibilities or authorities, provided, however, that neither the conversion of the Company to a subsidiary, division or unit of an acquiring entity in connection with a Change in Control (as defined below), or Executive's reporting relationships following a Change in Control, nor a change in title, will be deemed a "material reduction" in and of itself or material adverse alteration in, Executive's position, title, duties, or responsibilities; (ii) a reduction by the Company of Executive's Base Salary (except in the case of either an across the board reduction in salaries or a temporary reduction due to financial exigency); (iii) the relocation of Executive's principal place of employment by twenty-five (25) or more miles from Executive's then-current principal place of employment, or (iv) the failure of the Company to issue the Options as set forth in Section 2.3 above on or before July 31, 2021. Notwithstanding the foregoing, Good Reason shall only exist if the Company is provided a thirty (30) day period to cure the event or condition giving rise to Good Reason, and it fails to do so within that cure period (and, additionally, Executive must resign for such Good Reason condition by giving notice as described in Section 7.1 within thirty (30) days after the period for curing the violation or condition has ended).

(h) For purposes of this Agreement, the term "***Change in Control***" shall mean (i) a sale, lease, license or other disposition of all or substantially all of the assets of the Company that occurs over a period of not more than twelve (12) months to persons or entities unaffiliated with the Company or its shareholders, (ii) a consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, in which the shareholders of the Company immediately prior to such consolidation, merger or reorganization, own less than fifty percent (50%) of the outstanding voting power of the surviving entity and its parent following the consolidation, merger or reorganization, (iii) any transaction or series of related transactions involving a person or entity, or a group of affiliated persons or entities (but excluding any employee benefit plan or related trust sponsored or maintained by the Company) in which such persons or entities that were not shareholders of the Company

immediately prior to their acquisition of Company securities as part of such transaction become the owners, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. However, a Change in Control will not include any consolidation or merger effected exclusively to change the domicile of the Company, or any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor, or indebtedness of the Company is cancelled or converted, or a combination thereof.

6.2 Termination by the Company without Cause or Resignation by Executive for Good Reason in Connection with a Change in Control.

(a) In the event that the Company terminates Executive's employment without Cause (as defined below) or Executive resigns for Good Reason within twelve (12) months following the effective date of a Change in Control ("***Change in Control Termination Date***"), then Executive shall be entitled to the Accrued Obligations and, subject to Executive's compliance with Section 6.1(c), including but not limited to the Release requirement and Executive's continued compliance with Executive's obligations to the Company under Executive's Confidential Information Agreement, then Executive will be eligible for the following "***Change in Control Severance Benefits***:"

(i) The Company will pay Executive the Severance Benefits as described in and subject to conditions in Section 6.1(b)(i) and Section 6.1(b)(ii) above

(ii) Effective as of Executive's Change in Control Termination Date, and provided that Company equity awards have been continued, assumed or substituted for by the Company and/or the acquiror (or any affiliate of the acquiror) in connection with such Change in Control transaction, the vesting and exercisability of all outstanding unvested Company equity awards that are held by Executive as of immediately prior to the Change in Control Termination Date and which are scheduled to vest and become exercisable under a time-based, performance- based or service-based schedule shall be deemed immediately vested and exercisable as of Executive's termination date (and, for clarity, if any unvested equity award is in the form of restricted stock where the unvested shares are subject to a share reacquisition or repurchase right on behalf of the Company upon Executive's termination from employment or service (*e.g.*, at the lower of the stock's fair market value or the original purchase price), such unvested share reacquisition or repurchase right will lapse as to the shares of stock that otherwise are scheduled or are eligible to vest following the Change in Control Termination Date).

6.3 Termination by the Company for Cause.

(a) The Company shall have the right to terminate Executive's employment with the Company at any time for Cause by giving notice as described in Section 7.1 of this Agreement.

(b) "***Cause***" for purposes of this Agreement shall mean that the Company has determined in its sole discretion that Executive has engaged in any of the following: (i) a material breach of any covenant or condition under this Agreement or any other agreement

between the Company and Executive that is not cured after the expiration of ten (10) days after written notice of such breach; (ii) any act constituting dishonesty, fraud, immoral or disreputable conduct that has a material adverse effect on the Company; (iii) any conduct which constitutes a felony under applicable law; (iv) material violation of any Company policy that is not cured after the expiration of ten (10) days after written notice of such violation; (v) refusal to follow or implement a clear and reasonable written directive of Company; (vi) failure to pass to the satisfaction of the Company, a preliminary background check or failure to submit proof of legal eligibility to work in the United States; (vii) negligence or incompetence in the performance of Executive's duties or failure to perform such duties in a manner satisfactory to the Company after the expiration of ten (10) days without cure after written notice of such failure; or (viii) breach of fiduciary duty.

(c) In the event Executive's employment is terminated at any time for Cause, Executive will not receive Severance Benefits, Change in Control Severance Benefits, or any other compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall provide to Executive the Accrued Obligations.

6.4 Resignation by Executive (other than for Good Reason).

(a) Executive may resign from Executive's employment with the Company at any time by giving notice as described in Section 7.1.

(b) In the event Executive resigns from Executive's employment with the Company (other than for Good Reason), Executive will not receive Severance Benefits, Change in Control Severance Benefits, or any other compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall provide to Executive the Accrued Obligations.

6.5 Termination by Virtue of Death or Disability of Executive.

(a) In the event of Executive's death while employed pursuant to this Agreement, all obligations of the parties hereunder shall terminate immediately, and the Company shall, pursuant to the Company's standard payroll policies, provide to Executive's legal representatives all Accrued Obligations.

(b) Subject to applicable state and federal law, the Company shall at all times have the right, upon written notice to Executive, to terminate this Agreement based on Executive's Disability. Termination by the Company of Executive's employment based on "***Disability***" shall mean termination because Executive is unable due to a physical or mental condition to perform the essential functions of Executive's position with or without reasonable accommodation for six (6) months in the aggregate during any twelve (12) month period or based on the written certification by two licensed physicians of the likely continuation of such condition for such period. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, and other applicable law. In the event Executive's employment is terminated based on Executive's Disability, Executive will not receive the Severance Benefits, Change in Control Severance Benefits, or any other severance compensation or benefit, except that, pursuant to the Company's standard payroll policies, the Company shall provide to Executive the Accrued Obligations.

6.6 INTENTIONALLY OMITTED.

6.7 Application of Section 409A. It is intended that all of the severance payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively, "***Section 409A***") provided under Treasury Regulations Sections 1.409A-1(b)(4) and 1.409A-1(b)(9), and this Agreement will be construed in a manner that complies with Section 409A. If not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A, and incorporates by reference all required definitions and payment terms. No severance payments will be made under this Agreement unless Executive's termination of employment constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)). For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulations Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement (whether severance payments or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment. To the extent that any severance payments are deferred compensation under Section 409A, and are not otherwise exempt from the application of Section 409A, then, if the period during which Executive may consider and sign the Release spans two calendar years, the severance payments will not begin until the second calendar year. If the Company determines that the Severance Benefits or Change in Control Severance Benefits provided under this Agreement constitutes "deferred compensation" under Section 409A and if Executive is a "specified Executive" of the Company, as such term is defined in Section 409A(a)(2)(B)(i) of the Code at the time of Executive's Separation from Service, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance will be delayed as follows: on the earlier to occur of (a) the date that is six months and one day after Executive's Separation from Service, and (b) the date of Executive's death (such earlier date, the "***Delayed Initial Payment Date***"), the Company will (i) pay to Executive a lump sum amount equal to the sum of the Severance Benefits or Change in Control Severance Benefits that Executive would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the Severance Benefits or Change in Control Severance Benefits had not been delayed pursuant to this Section 6.7 and (ii) commence paying the balance of the Severance Benefits or Change in Control Severance Benefits in accordance with the applicable payment schedule set forth in Section 6.1. No interest shall be due on any amounts deferred pursuant to this Section 6.7.

6.8 Notice; Effective Date of Termination.

(a) Termination of Executive's employment pursuant to this Agreement shall be effective on the earliest of:

(i) immediately after the Company gives notice to Executive of Executive's termination, with or without Cause, unless pursuant to Section 6.3(b)(vi) in which case ten (10) days after notice if not cured or unless the Company specifies a later date, in which case, termination shall be effective as of such later date;

(ii) immediately upon Executive's death;

(iii) ten (10) days after the Company gives notice to Executive of Executive's termination on account of Executive's Disability, unless the Company specifies a later date, in which case, termination shall be effective as of such later date, *provided* that Executive has not returned to the full-time performance of Executive's duties prior to such date;

(iv) ten (10) days after Executive gives written notice to the Company of Executive's resignation, *provided* that the Company may set a termination date at any time between the date of notice and the date of resignation, in which case Executive's resignation shall be effective as of such other date. Executive will receive compensation through any required notice period; or

(v) for a termination for Good Reason, immediately upon Executive's full satisfaction of the requirements of Section 6.1(g).

(b) In the event notice of a termination under subsections (a)(i) and (iii) is given orally, at the other party's request, the party giving notice must provide written confirmation of such notice within five (5) business days of the request in compliance with the requirement of Section 7.1 below. In the event of a termination for Cause, written confirmation shall specify the subsection(s) of the definition of Cause relied on to support the decision to terminate.

6.9 Cooperation With Company After Termination of Employment. Following termination of Executive's employment for any reason, Executive shall fully cooperate with the Company in all matters relating to the winding up of Executive's pending work including, but not limited to, any litigation in which the Company is involved, and the orderly transfer of any such pending work to such other executives as may be designated by the Company, provided that such work does not interfere with Executive's subsequent employment. The Company will reimburse Executive for reasonable out-of-pocket expenses Executive incurs in connection with any such cooperation (excluding forgone wages, salary, or other compensation) and will make reasonable efforts to accommodate Executive's scheduling needs.

6.10 Excise Tax Adjustment.

(a) If any payment or benefit Executive will or may receive from the Company or otherwise (a "***280G Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this Section, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then any such 280G Payment provided pursuant to this Agreement (a "***Payment***") shall be equal to the Reduced Amount. The "***Reduced Amount***" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state, and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in

Executive's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction shall occur in the manner (the "***Reduction Method***") that results in the greatest economic benefit for Executive. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "***Pro Rata Reduction Method***").

(b) Notwithstanding any provision of this Section 6.10 to the contrary, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A that would not otherwise be subject to taxes pursuant to Section 409A, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, shall be modified so as to avoid the imposition of taxes pursuant to Section 409A as follows: (A) as a first priority, the modification shall preserve to the greatest extent possible, the greatest economic benefit for Executive as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (*e.g.*, being terminated without Cause) shall be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A shall be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A.

(c) Unless Executive and the Company agree on an alternative accounting firm or law firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the Change in Control transaction shall perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity, or group effecting the Change in Control transaction, the Company shall appoint a nationally recognized accounting or law firm to make the determinations required by this Section 6.10. The Company shall bear all expenses with respect to the determinations by such accounting or law firm required to be made hereunder. The Company shall use commercially reasonable efforts to cause the accounting or law firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to Executive and the Company within fifteen (15) calendar days after the date on which Executive's right to a 280G Payment becomes reasonably likely to occur (if requested at that time by Executive or the Company) or such other time as requested by Executive or the Company.

(d) If Executive receives a Payment for which the Reduced Amount was determined pursuant to clause (x) of Section 6.10(a) and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, Executive agrees to promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of Section 6.10(a)) so that no portion of the remaining Payment is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) of Section 6.10(a), Executive shall have no obligation to return any portion of the Payment pursuant to the preceding sentence.

7. GENERAL PROVISIONS.

7.1 **Notices**. Any notices required hereunder to be in writing shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by electronic mail or confirmed facsimile if sent during normal business hours of the recipient, and if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll or to Executive's Company-issued email address or Executive's email address as listed in Company records, or at such other address as the Company or Executive may designate by ten (10) days' advance written notice to the other.

7.2 **Severability**. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

7.3 **Survival**. Provisions of this Agreement which by their terms must survive the termination of this Agreement in order to effectuate the intent of the parties will survive any such termination, whether by expiration of the term, termination of Executive's employment, or otherwise, for such period as may be appropriate under the circumstances.

7.4 **Waiver**. If either party should waive any breach of any provisions of this Agreement, it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

7.5 **Complete Agreement**. This Agreement constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof. This Agreement is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter and supersedes any prior oral discussions or written communications and agreements. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in writing signed by Executive and an authorized officer of the Company. The parties have entered into a separate Confidential Information Agreement and have or may enter into separate agreements related to equity. These separate agreements govern other aspects of the relationship between the parties, have or may have provisions that survive termination of Executive's employment under this Agreement, may be amended or superseded by the parties without regard to this Agreement and are enforceable according to their terms without regard to the enforcement provision of this Agreement.

7.6 **Counterparts**. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

7.7 **Headings**. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

7.8 **Successors and Assigns**. The Company shall assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any Company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said Company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a party hereto, but may not otherwise assign this Agreement or its rights and obligations hereunder. The Executive may not assign or transfer this Agreement or any rights or obligations hereunder, other than to the Executive's estate upon Executive's death.

7.9 **Choice of Law**. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the Commonwealth of Massachusetts.

7.10 **Resolution of Disputes**. To ensure the timely and economical resolution of disputes that may arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance, negotiation, execution, or interpretation of this Agreement, or Executive's employment, or the termination of Executive's employment, including but not limited to all statutory claims (including, but not limited to, the Massachusetts Antidiscrimination Act, Mass. Gen. Laws Ch.151B and the Massachusetts Wage Act, Mass. Gen. Laws Ch. 149), will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration by a single arbitrator conducted in Boston, Massachusetts by Judicial Arbitration and Mediation Services Inc. ("***JAMS***") under the then applicable JAMS rules (at the following web address: https://www.jamsadr.com/rules-employment-arbitration/); provided, however, this arbitration provision shall not apply to sexual harassment claims to the extent prohibited by applicable law. A hard copy of the rules will be provided to Executive upon request. **By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**. In addition, all claims, disputes, or causes of action under this provision, whether by Executive or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class or representative proceeding, nor joined or consolidated with the claims of any other person or entity. The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. To the extent that the preceding sentences regarding class claims or proceedings are found to violate applicable law or are otherwise found unenforceable, any claim(s) alleged or brought on behalf of a class shall proceed in a court of law rather than by arbitration. The Company acknowledges that Executive will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration under this Agreement shall be decided by the arbitrator. Likewise, procedural questions which grow out of the dispute and bear on the final disposition are also matters for the arbitrator. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award; (c) be authorized to award any or all

remedies that Executive or the Company would be entitled to seek in a court of law; and (d) is authorized to award attorneys' fees to the prevailing party. Subject to the foregoing sentence, Executive and the Company shall equally share all JAMS' arbitration fees and each party is responsible for its own attorneys' fees. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction. To the extent applicable law prohibits mandatory arbitration of sexual harassment claims, in the event Executive intends to bring multiple claims, including a sexual harassment claim, the sexual harassment claim may be publicly filed with a court, while any other claims will remain subject to mandatory arbitration.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Employment Agreement on the day and year first written above.

PEPGEN INC.

By: /s/ Dr. Ramin Farzaneh-Far
Dr. Ramin Farzaneh-Far
Executive Chair

Executive:

/s/ James McArthur PhD
James McArthur PhD

Exhibit A

EMPLOYEE CONFIDENTIAL INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT

EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (the "***Agreement***") is entered into on September 29, 2021 (the "***Effective Date***"), by and between Noel Donnelly (the "***Employee***") and PepGen Inc. (the "***Company***").

Contingent upon the satisfactory completion of a background and reference check and satisfactory meetings with select members of the Company's Board of Directors (the "***Board***"), the Company desires to employ the Employee and, in connection therewith, to compensate the Employee for Employee's personal services to the Company; and Employee wishes to be employed by the Company and provide personal services and certain covenants to the Company in return for certain compensation and benefits.

Accordingly, in consideration of the mutual promises and covenants contained herein, the parties agree to the following:

1. **EMPLOYMENT BY THE COMPANY**.

1.1 **Position**. Subject to the terms set forth herein, the Company agrees to employ Employee in the position of Chief Financial Officer, and Employee hereby accepts such employment.

1.2 **Start Date**. Employee's employment with the Company shall commence on October 15, 2021, or such other earlier date mutually agreed to in writing by Employee and the Company. The date Employee actually commences working for the Company is referred to as Employee's "***Start Date***."

1.3 **Duties**. Employee will report to the Company's Chief Executive Officer ("***CEO***"), performing such duties as are normally associated with Employee's position and such duties as are assigned to Employee from time to time, subject to the oversight and direction of the CEO. During the term of Employee's employment with the Company, Employee will devote Employee's best efforts and substantially all of Employee's business time and attention to the business of the Company. Employee shall perform Employee's duties under this Agreement principally out of the Company's corporate headquarters in or around Boston, Massachusetts. In addition, Employee shall make such business trips to such places as may be necessary or advisable for the efficient operations of the Company.

1.4 **Company Policies and Benefits**. The employment relationship between the parties shall also be subject to the Company's personnel policies and procedures as they may be established, interpreted, adopted, revised or deleted from time to time in the Company's sole discretion. Employee will be eligible to participate on the same basis as similarly-situated employees in the Company's benefit plans in effect from time to time during Employee's employment. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion. Notwithstanding the foregoing, in the event that the terms of this Agreement differ from or are in conflict with the Company's personnel policies and procedures, the terms of this Agreement shall control.

2. **COMPENSATION**.

2.1 **Salary**. Employee shall receive for Employee's services to be rendered under this Agreement an initial base salary of $430,000, on an annualized basis, subject to review and adjustment by the Company in its sole discretion, and payable subject to standard federal and state payroll withholding requirements in accordance with the Company's standard payroll practices ("***Base Salary***").

2.2 **IPO Bonus**. In the event the Company closes on an initial public offering on or before December 31, 2021, the Company shall pay Employee a one-time bonus in the amount of one hundred thousand dollars ($100,000) within thirty (30) days of the closing (the "***IPO Bonus***"). Employee agrees that if he terminates his employment within twelve (12) months following payment of the IPO Bonus, Employee will repay the Company the gross amount of the IPO Bonus within ten (10) days following the date of termination.

2.3 **Annual Discretionary Bonus**. Employee will be eligible to be awarded a discretionary annual cash bonus with a target of forty percent (40%) of Employee's then-current Base Salary, subject to review and adjustment from time to time by the Company in its sole discretion, payable subject to standard payroll withholding requirements ("***Target Bonus***"). Whether or not Employee is awarded any bonus will be dependent upon (a) the actual achievement by Employee and the Company of the applicable individual and corporate performance goals, as determined by the Company in its sole discretion, and (b) Employee's continuous performance of services to the Company through the date any such bonus is paid. Provided that Employee meets the other criteria for receiving a bonus pursuant to this Section 2.2, any bonus awarded for 2021 will be prorated. The Company will determine in its sole discretion the extent to which Employee has achieved the performance goals upon which the bonus is based and the amount of the bonus, if any.

2.4 **Stock Option**. Subject to the approval of the Board, and subject to Employee's continued employment with the Company through the date the Option (as defined below) is granted by the Board, the Company intends to grant Employee an option covering 207,000 shares of its common stock (the "***Option***"), at an exercise price that is no less than the fair market value per share of such Common Stock as of the date of grant of the Option. The Option will be an incentive stock option under Section 422 of the Internal Revenue Code to the extent permitted by applicable law, and otherwise will be a non-qualified stock option. The Option will be subject to standard vesting terms (25% cliff at first anniversary of the Start Date, and the balance vesting monthly over the following thirty-six (36) months, subject to Employee's continued employment with the Company as of each such vesting date. The Option will be subject to the terms of the Company's equity incentive plan then in effect ("***Plan***"), and the Company's standard form of stock option agreement and grant notice, which Employee will be required to sign.

2.5 **Expense Reimbursement**. The Company will reimburse Employee for reasonable business expenses in accordance with the Company's standard expense reimbursement policy, as the same may be modified by the Board from time to time. The Company shall reimburse Employee for all customary and appropriate business-related expenses actually incurred and documented in accordance with Company policy, as in effect from time to time. For the avoidance of doubt, to the extent that any reimbursements payable to Employee are subject to the

provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"): (a) any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, (b) the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and (c) the right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

3. **CONFIDENTIAL INFORMATION, INVENTIONS, NON-COMPETITION AND NON-SOLICITATION OBLIGATIONS**. As a condition of employment, Employee agrees to execute and abide by the Employee Confidential Information and Invention Assignment Agreement attached as Exhibit A ("***Confidential Information Agreement***"), which may be amended by the parties from time to time without regard to this Agreement. The Confidential Information Agreement contains provisions that are intended by the parties to survive and do survive termination of this Agreement.

4. **OUTSIDE ACTIVITIES DURING EMPLOYMENT**. Except with the prior written consent of the Company, Employee will not, while employed by the Company, undertake or engage in any other employment, occupation or business enterprise that would interfere with Employee's responsibilities and the performance of Employee's duties hereunder, except for (i) reasonable time devoted to volunteer services for or on behalf of such religious, educational, non-profit and/or other charitable organization as Employee may wish to serve, (ii) reasonable time devoted to activities in the non-profit and business communities consistent with Employee's duties, and (iii) such other activities as may be specifically approved in writing by the Company. This restriction shall not, however, preclude Employee (i) from owning less than one percent (1%) of the total outstanding shares of a publicly-traded company, or (ii) from employment or service in any capacity with Affiliates of the Company. As used in this Agreement, "***Affiliates***" means an entity under common management or control with the Company. Employee agrees to promptly disclose to the Board his involvement in any activities contemplated by this Section 4.

5. **NO CONFLICT WITH EXISTING OBLIGATIONS**. Employee represents that Employee's performance of all the terms of this Agreement and as an Employee of the Company do not and will not breach any agreement or obligation of any kind made prior to Employee's employment by the Company, including agreements or obligations Employee may have with prior employers or entities for which Employee has provided services. Employee has not entered into, and Employee agrees that Employee will not enter into, any agreement or obligation, either written or oral, in conflict herewith.

6. **TERMINATION OF EMPLOYMENT**. The parties acknowledge that Employee's employment relationship with the Company is at-will. Either Employee or the Company may terminate the employment relationship for any reason whatsoever at any time, with or without cause or advance notice. The provisions in this Section govern the amount of compensation, if any, to be provided to Employee upon termination of employment and do not alter this at-will status.

6.1 **Termination by the Company without Cause or Resignation by Employee for Good Reason**.

(a) The Company shall have the right to terminate Employee's employment with the Company pursuant to this Section 6.1 at any time without "Cause" (as defined below) by giving notice as described in Section 7.1 of this Agreement. A termination pursuant to Sections 6.5 or 6.6 below is not a termination without Cause for purposes of receiving the benefits described in this Section 6.1.

(b) If the Company terminates Employee's employment at any time without Cause or Employee resigns for "Good Reason" (as defined below) and provided that such termination constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h), without regard to any alternative definition thereunder, a "***Separation from Service***"), then Employee shall be entitled to receive the Accrued Obligations (as defined below) and, subject to Employee's compliance with the obligations in Section 6.1(c) below, Employee shall be eligible to receive the following severance benefits (the "***Severance Benefits***"):

(i) The Company will pay Employee an amount equal to Employee's then current Base Salary for nine (9) months (the "***Severance Period***"), less all applicable withholdings and deductions, and paid in equal installments beginning on the Company's first regularly-scheduled payroll date following the Release Effective Date (as defined below), with the remaining installments occurring on the Company's regularly-scheduled payroll dates thereafter.

(ii) If Employee timely elects continued coverage under COBRA for Employee and Employee's dependents under the Company's group health plans following such termination, then the Company shall pay the COBRA premiums necessary to continue Employee's and his covered dependents' health insurance coverage in effect for Employee (and Employee's covered dependents) on the termination date until the earliest of: (i) the termination of the Severance Period; (ii) the date when Employee becomes eligible for substantially equivalent health insurance coverage in connection with new employment or self-employment; or (iii) the date Employee ceases to be eligible for COBRA continuation coverage for any reason, including plan termination (such period from the termination date through the earlier of (i)-(iii), (the "***COBRA Payment Period***"). Notwithstanding the foregoing, if at any time the Company determines that its payment of COBRA premiums on Employee's behalf would result in a violation of applicable law (including, but not limited to, the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of paying COBRA premiums pursuant to this Section, the Company shall pay Employee on the last day of each remaining month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premium for such month, subject to applicable tax withholding, for the remainder of the COBRA Payment Period. Nothing in this Agreement shall deprive Employee of his rights under COBRA or ERISA for benefits under plans and policies arising under his employment by the Company.

(c) Employee will be paid all of the Accrued Obligations on the Company's first payroll date after Employee's date of termination from employment or earlier if required by law. Employee shall receive the Severance Benefits pursuant to Section 6.1(b) of this

Agreement if: (i) by the sixtieth (60th) day following the date of Employee's Separation from Service, he has signed and delivered to the Company a separation agreement containing an effective, general release of claims in favor of the Company and its affiliates and representatives, in a form reasonably presented by the Company (the "***Release***"), which will include a non-competition clause substantially similar to the non-competition clause included in the Confidential Information Agreement attached hereto as Exhibit A, and which cannot be revoked in whole or part by such date (the date that the Release can no longer be revoked is referred to as the "***Release Effective Date***"); (ii) he returns all Company property; (iii) he is in compliance with his post-termination obligations under this Agreement and any proprietary information agreement when any such Severance Benefits are due and payable; and (iv) he complies with the terms of the Release, including without limitation any mutual non-disparagement and confidentiality provisions contained in the Release. To the extent that any of the Severance Benefits are deferred compensation under Section 409A of the Code, and are not otherwise exempt from the application of Section 409A, then, if the period during which Employee may consider and sign the Release spans two calendar years, the payment of the Severance Benefits will not be made or begin until the later calendar year.

(d) For purposes of this Agreement, "***Accrued Obligations***" are (i) Employee's accrued but unpaid salary through the date of termination, (ii) any unreimbursed business expenses incurred by Employee payable in accordance with the Company's standard expense reimbursement policies, and (iii) benefits owed to Employee under any qualified retirement plan or health and welfare benefit plan in which Employee was a participant in accordance with applicable law and the provisions of such plan.

(e) The Severance Benefits provided to Employee pursuant to this Section 6.1 are in lieu of, and not in addition to, any benefits to which Employee may otherwise be entitled under any Company severance plan, policy or program.

(f) Any damages caused by the termination of Employee's employment without Cause would be difficult to ascertain; therefore, the Severance Benefits for which Employee is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the parties as liquidated damages, to serve as full compensation, and not a penalty.

(g) "***Good Reason***" for purposes of this Agreement shall mean the occurrence of any of the following conditions without Employee's consent, after Employee's provision of written notice to the Company of the existence of such condition (which notice must be provided as described in Section 7.1 within ninety (90) days of the initial existence of the condition and must specify the particular condition in reasonable detail), provided that the Company has not first provided notice to Employee of its intent to terminate Employee's employment: (i) a material reduction in Employee's duties, responsibilities or authorities, provided, however, that neither the conversion of the Company to a subsidiary, division or unit of an acquiring entity in connection with a Change in Control (as defined below), or Employee's reporting relationships following a Change in Control, nor a change in title, will be deemed a "material reduction" in and of itself or material adverse alteration in, Employee's position, title, duties, or responsibilities; (ii) a reduction by the Company of Employee's Base Salary (except in the case of either an across the board reduction in salaries or a temporary reduction due to financial exigency); or (iii) the relocation of Employee's principal place of employment by twenty-five (25)

or more miles from Employee's then-current principal place of employment. Notwithstanding the foregoing, Good Reason shall only exist if the Company is provided a thirty (30) day period to cure the event or condition giving rise to Good Reason, and it fails to do so within that cure period (and, additionally, Employee must resign for such Good Reason condition by giving notice as described in Section 7.1 within thirty (30) days after the period for curing the violation or condition has ended).

(h) For purposes of this Agreement, the term "***Change in Control***" shall mean (i) a sale, lease, license or other disposition of all or substantially all of the assets of the Company that occurs over a period of not more than twelve (12) months to persons or entities unaffiliated with the Company or its shareholders, (ii) a consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, in which the shareholders of the Company immediately prior to such consolidation, merger or reorganization, own less than fifty percent (50%) of the outstanding voting power of the surviving entity and its parent following the consolidation, merger or reorganization, (iii) any transaction or series of related transactions involving a person or entity, or a group of affiliated persons or entities (but excluding any employee benefit plan or related trust sponsored or maintained by the Company) in which such persons or entities that were not shareholders of the Company immediately prior to their acquisition of Company securities as part of such transaction become the owners, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. However, a Change in Control will not include any consolidation or merger effected exclusively to change the domicile of the Company, or any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor, or indebtedness of the Company is cancelled or converted, or a combination thereof.

6.2 **Termination by the Company for Cause**.

(a) The Company shall have the right to terminate Employee's employment with the Company at any time for Cause by giving notice as described in Section 7.1 of this Agreement.

(b) "***Cause***" for purposes of this Agreement shall mean that the Company has determined in its sole discretion that Employee has engaged in any of the following: (i) a material breach of any covenant or condition under this Agreement or any other agreement between the Company and Employee that is not cured after the expiration of ten (10) days after written notice of such breach; (ii) any act constituting dishonesty, fraud, immoral or disreputable conduct that has a material adverse effect on the Company; (iii) any conduct which constitutes a felony under applicable law; (iv) material violation of any Company policy that is not cured after the expiration of ten (10) days after written notice of such violation; (v) refusal to follow or implement a clear and reasonable written directive of Company; (vi) failure to pass to the satisfaction of the Company, a preliminary background check or failure to submit proof of legal eligibility to work in the United States; (vii) negligence or incompetence in the performance of Employee's duties or failure to perform such duties in a manner satisfactory to the Company after the expiration of ten (10) days without cure after written notice of such failure; or (viii) breach of fiduciary duty.

(c) In the event Employee's employment is terminated at any time for Cause, Employee will not receive Severance Benefits or any other compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall provide to Employee the Accrued Obligations.

6.3 **Resignation by Employee (other than for Good Reason)**.

(a) Employee may resign from Employee's employment with the Company at any time by giving notice as described in Section 7.1.

(b) In the event Employee resigns from Employee's employment with the Company (other than for Good Reason), Employee will not receive Severance Benefits or any other compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall provide to Employee the Accrued Obligations.

6.4 **Termination by Virtue of Death or Disability of Employee**.

(a) In the event of Employee's death while employed pursuant to this Agreement, all obligations of the parties hereunder shall terminate immediately, and the Company shall, pursuant to the Company's standard payroll policies, provide to Employee's legal representatives all Accrued Obligations.

(b) Subject to applicable state and federal law, the Company shall at all times have the right, upon written notice to Employee, to terminate this Agreement based on Employee's Disability. Termination by the Company of Employee's employment based on "***Disability***" shall mean termination because Employee is unable due to a physical or mental condition to perform the essential functions of Employee's position with or without reasonable accommodation for six (6) months in the aggregate during any twelve (12) month period or based on the written certification by two licensed physicians of the likely continuation of such condition for such period. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, and other applicable law. In the event Employee's employment is terminated based on Employee's Disability, Employee will not receive the Severance Benefits or any other severance compensation or benefit, except that, pursuant to the Company's standard payroll policies, the Company shall provide to Employee the Accrued Obligations.

6.5 **INTENTIONALLY OMITTED**.

6.6 **Application of Section 409A**. It is intended that all of the severance payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively, "***Section 409A***") provided under Treasury Regulation Sections 1.409A-1(b)(4) and 1.409A-1(b)(9), and this Agreement will be construed in a manner that complies with Section 409A. If not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A, and incorporates by reference all required definitions and payment terms. No severance payments will be made under this Agreement unless Employee's termination of employment constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)). For

purposes of Section 409A (including, without limitation, for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii)), Employee's right to receive any installment payments under this Agreement (whether severance payments or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment. To the extent that any severance payments are deferred compensation under Section 409A, and are not otherwise exempt from the application of Section 409A, then, if the period during which Employee may consider and sign a release spans two calendar years, the severance payments will not begin until the second calendar year. If the Company determines that the Severance Benefits provided under this Agreement constitutes "deferred compensation" under Section 409A and if Employee is a "specified Employee" of the Company, as such term is defined in Section 409A(a)(2)(B)(i) of the Code at the time of Employee's Separation from Service, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance will be delayed as follows: on the earlier to occur of (a) the date that is six months and one day after Employee's Separation from Service, and (b) the date of Employee's death (such earlier date, the "***Delayed Initial Payment Date***"), the Company will (i) pay to Employee a lump sum amount equal to the sum of the Severance Benefits that Employee would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the Severance Benefits had not been delayed pursuant to this Section 6.6, and (ii) commence paying the balance of the Severance Benefits in accordance with the applicable payment schedule set forth in Section 6.1. No interest shall be due on any amounts deferred pursuant to this Section 6.6.

6.7 **Notice; Effective Date of Termination**.

(a) Termination of Employee's employment pursuant to this Agreement shall be effective on the earliest of:

(i) immediately after the Company gives notice to Employee of Employee's termination, with or without Cause, unless pursuant to Section 6.2(b)(vi) in which case ten (10) days after notice if not cured or unless the Company specifies a later date, in which case, termination shall be effective as of such later date;

(ii) immediately upon Employee's death;

(iii) ten (10) days after the Company gives notice to Employee of Employee's termination on account of Employee's Disability, unless the Company specifies a later date, in which case, termination shall be effective as of such later date, *provided* that Employee has not returned to the full-time performance of Employee's duties prior to such date;

(iv) ten (10) days after Employee gives written notice to the Company of Employee's resignation, provided that the Company may set a termination date at any time between the date of notice and the date of resignation, in which case Employee's resignation shall be effective as of such other date. Employee will receive compensation through any required notice period; or

(v) for a termination for Good Reason, immediately upon Employee's full satisfaction of the requirements of Section 6.1(g).

(b) In the event notice of a termination under subsections (a)(i) and (iii) is given orally, at the other party's request, the party giving notice must provide written confirmation of such notice within five (5) business days of the request in compliance with the requirement of Section 7.1 below. In the event of a termination for Cause, written confirmation shall specify the subsection(s) of the definition of Cause relied on to support the decision to terminate.

6.8 **Cooperation With Company After Termination of Employment**. Following termination of Employee's employment for any reason, Employee shall fully cooperate with the Company in all matters relating to the winding up of Employee's pending work including, but not limited to, any litigation in which the Company is involved, and the orderly transfer of any such pending work to such other Employees as may be designated by the Company, provided that such work does not interfere with Employee's subsequent employment. The Company will reimburse Employee for reasonable out-of-pocket expenses Employee incurs in connection with any such cooperation (excluding forgone wages, salary, or other compensation) and will make reasonable efforts to accommodate Employee's scheduling needs.

6.9 **Excise Tax Adjustment**.

(a) If any payment or benefit Employee will or may receive from the Company or otherwise (a "***280G Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this Section, be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then any such 280G Payment provided pursuant to this Agreement (a "***Payment***") shall be equal to the Reduced Amount. The "***Reduced Amount***" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state, and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction shall occur in the manner (the "***Reduction Method***") that results in the greatest economic benefit for Employee. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "***Pro Rata Reduction Method***").

(b) Notwithstanding any provision of this Section 6.9 to the contrary, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A that would not otherwise be subject to taxes pursuant to Section 409A, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, shall be modified so as to avoid the imposition of taxes pursuant to Section 409A as follows: (A) as a first priority, the modification shall preserve to the greatest extent possible, the greatest economic benefit for Employee as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (e.g., being terminated without Cause) shall be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A shall be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A.

(c) Unless Employee and the Company agree on an alternative accounting firm or law firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the Change in Control transaction shall perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity, or group effecting the Change in Control transaction, the Company shall appoint a nationally-recognized accounting or law firm to make the determinations required by this Section 6.9. The Company shall bear all expenses with respect to the determinations by such accounting or law firm required to be made hereunder. The Company shall use commercially reasonable efforts to cause the accounting or law firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to Employee and the Company within fifteen (15) calendar days after the date on which Employee's right to a 280G Payment becomes reasonably likely to occur (if requested at that time by Employee or the Company) or such other time as requested by Employee or the Company.

(d) If Employee receives a Payment for which the Reduced Amount was determined pursuant to clause (x) of Section 6.9(a) and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, Employee agrees to promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of Section 6.9(a)) so that no portion of the remaining Payment is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) of Section 6.9(a), Employee shall have no obligation to return any portion of the Payment pursuant to the preceding sentence.

7. GENERAL PROVISIONS.

7.1 **Notices**. Any notices required hereunder to be in writing shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by electronic mail or confirmed facsimile if sent during normal business hours of the recipient, and if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally-recognized overnight courier, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the Company at its primary office location and to Employee at Employee's address as listed on the Company payroll or to Employee's Company-issued email address or Employee's email address as listed in Company records, or at such other address as the Company or Employee may designate by ten (10) days' advance written notice to the other.

7.2 **Severability**. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

7.3 **Survival**. Provisions of this Agreement which by their terms must survive the termination of this Agreement in order to effectuate the intent of the parties will survive any such termination, whether by expiration of the term, termination of Employee's employment, or otherwise, for such period as may be appropriate under the circumstances.

7.4 **Waiver**. If either party should waive any breach of any provisions of this Agreement, it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

7.5 **Complete Agreement**. This Agreement is contingent upon satisfactory completion of a background and reference check, as well as satisfactory meetings with select members of the Board. If these conditions are not met, the Company may revoke and rescind this Agreement, without any further obligation. This Agreement constitutes the entire agreement between Employee and the Company with regard to the subject matter hereof. This Agreement is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter and supersedes any prior oral discussions or written communications and agreements. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in writing signed by Employee and an authorized officer of the Company. The parties have entered into a separate Confidential Information Agreement and have or may enter into separate agreements related to equity. These separate agreements govern other aspects of the relationship between the parties, have or may have provisions that survive termination of Employee's employment under this Agreement, may be amended or superseded by the parties without regard to this Agreement and are enforceable according to their terms without regard to the enforcement provision of this Agreement.

7.6 **Counterparts**. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

7.7 **Headings**. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

7.8 **Successors and Assigns**. The Company shall assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a party hereto, but may not otherwise assign this Agreement or its rights and obligations hereunder. The Employee may not assign or transfer this Agreement or any rights or obligations hereunder, other than to the Employee's estate upon Employee's death.

7.9 **Choice of Law**. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the Commonwealth of Massachusetts.

7.10 **Resolution of Disputes**. To ensure the timely and economical resolution of disputes that may arise in connection with Employee's employment with the Company, Employee and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance, negotiation, execution, or interpretation of this Agreement, or Employee's employment, or the termination of Employee's employment, including but not limited to all statutory claims (including, but not limited to, the Massachusetts Antidiscrimination Act, Mass. Gen. Laws Ch.151B and the Massachusetts Wage Act, and Mass. Gen. Laws Ch. 149), will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration by a single arbitrator conducted in Boston, Massachusetts by Judicial Arbitration and Mediation Services Inc. ("***JAMS***") under the then applicable JAMS rules (at the following web address: https://www.jamsadr.com/rules-employment- arbitration/); provided, however, this arbitration provision shall not apply to sexual harassment claims to the extent prohibited by applicable law. A hard copy of the rules will be provided to Employee upon request. **By agreeing to this arbitration procedure, both Employee and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**. In addition, all claims, disputes, or causes of action under this provision, whether by Employee or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class or representative proceeding, nor joined or consolidated with the claims of any other person or entity. The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. To the extent that the preceding sentences regarding class claims or proceedings are found to violate applicable law or are otherwise found unenforceable, any claim(s) alleged or brought on behalf of a class shall proceed in a court of law rather than by arbitration. The Company acknowledges that Employee will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration under this Agreement shall be decided by the arbitrator. Likewise, procedural questions which grow out of the dispute and bear on the final disposition are also matters for the arbitrator. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award; (c) be authorized to award any or all remedies that Employee or the Company would be entitled to seek in a court of law; and (d) is authorized to award attorneys' fees to the prevailing party. Subject to the foregoing sentence, Employee and the Company shall equally share all JAMS' arbitration fees and each party is responsible for its own attorneys' fees. Nothing in this Agreement is intended to prevent either Employee or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction. To the extent applicable law prohibits mandatory arbitration of sexual harassment claims, in the event Employee intends to bring multiple claims, including a sexual harassment claim, the sexual harassment claim may be publicly filed with a court, while any other claims will remain subject to mandatory arbitration.

[*Remainder of page intentionally left blank.*]

This offer will remain open until October 5, 2021. To accept this offer, please sign below and return the Agreement before October 5, 2021.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement on the day and year first written above.

PEPGEN INC.

By: /s/ James McArthur
James McArthur
Chief Executive Officer

Employee:

/s/ Noel Donnelly
Noel Donnelly

Exhibit A

EMPLOYEE CONFIDENTIAL INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT

Exhibit 10.8

EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (the "***Agreement***") is entered into on September 17, 2021 (the "***Effective Date***"), by and between Jaya Goyal (the "***Employee***") and PepGen Inc. (the "***Company***").

Contingent upon the satisfactory completion of a reference check, the Company desires to employ the Employee and, in connection therewith, to compensate the Employee for Employee's personal services to the Company; and

Employee wishes to be employed by the Company and provide personal services and certain covenants to the Company in return for certain compensation and benefits.

Accordingly, in consideration of the mutual promises and covenants contained herein, the parties agree to the following:

1. **EMPLOYMENT BY THE COMPANY**.

1.1 **Position**. Subject to the terms set forth herein, the Company agrees to employ Employee in the position of Executive Vice President, Research and Preclinical Development, and Employee hereby accepts such employment.

1.2 **Start Date**. Employee's employment with the Company shall commence on October 15, 2021, or such earlier date mutually agreed to in writing by Employee and the Company. The date Employee actually commences working for the Company is referred to as Employee's ***"Start Date."*** Prior to the Start Date or in the event that Employee does not commence employment with the Company under this Agreement, the Company shall have no obligation to provide Employee with compensation and benefits (including, but not limited to, the "Severance Payments" set forth herein).

1.3 **Hulks**. Employee will initially report to the Company's Chief Executive Officer ("***CEO***"), performing such duties as are normally associated with Employee's position and such duties as are assigned to Employee from time to time, subject to the oversight and direction of the CEO. During the term of Employee's employment with the Company, Employee will devote Employee's best efforts and substantially all of Employee's business time and attention to the business of the Company. Employee shall perform Employee's duties under this Agreement principally out of the Company's corporate headquarters once established in or around Boston, Massachusetts. In addition, Employee shall make such business trips to such places as may be necessary or advisable for the efficient operations of the Company.

1.4 **Company Policies and Benefits**. The employment relationship between the parties shall also be subject to the Company's personnel policies and procedures as they may be established, interpreted, adopted, revised or deleted from time to time in the Company's sole discretion. Employee will be eligible to participate on the same basis as similarly-situated Employees in the Company's benefit plans in effect from time to time during Employee's employment. Employee acknowledges and understands that all matters of eligibility for coverage or benefits under any benefit plan shall be determined in accordance with the provisions of such plan. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion.

2. **COMPENSATION**.

2.1 **Salary**. Employee shall receive for Employee's services to be rendered under this Agreement an initial base salary of $400,000, on an annualized basis, subject to review and adjustment by the Company in its sole discretion, and payable subject to standard federal and state payroll withholding requirements in accordance with the Company's standard payroll practices ("***Base Salary***").

2.2 **Sign-On Bonus**. As an incentive to join the Company on or before October 15, 2021, the Company will pay Employee a one-time Sign On Bonus of seventy-five thousand dollars ($75,000), contingent upon employment beginning employment on or before October 15th, 2021, payable within three (3) months of the Start Date.

2.3 **Annual Discretionary Bonus**. Employee will be eligible to be awarded a discretionary annual cash bonus with a target of forty percent (40%) of Employee's then-current Base Salary, subject to review and adjustment from time to time by the Company in its sole discretion, payable subject to standard payroll withholding requirements ("***Target Bonus***"). Whether or not Employee is awarded any bonus will be dependent upon (a) the actual achievement by Employee and the Company of the applicable individual and corporate performance goals, as determined by the Company in its sole discretion, and (b) Employee's continuous performance of services to the Company through the date any such bonus is paid. The bonus may be greater or lesser than the Target Bonus. Provided that Employee meets the other criteria for receiving a bonus pursuant to this Section 2.2, and provided Employee begins employment on or before October 15, 2021, Employee shall be eligible for a bonus for 2021, which will not be prorated. The Company will determine in its sole discretion the extent to which Employee has achieved the performance goals upon which the bonus is based and the amount of the bonus, if any.

2.4 **Stock Option**. Subject to the approval of the Board, and subject to Employee's continued employment with the Company through the date the Option (as defined below) is granted by the Board, the Company intends to grant Employee an option covering 152,900 shares of its common stock (the "***Option***"), at an exercise price that is no less than the fair market value per share of such Common Stock as of the date of grant of the Option. The Option will be an incentive stock option under Section 422 of the Internal Revenue Code to the extent permitted by applicable law, and otherwise will be a non-qualified stock option. The Option will be subject to standard vesting terms (25% cliff at first anniversary of the Start Date, and the balance vesting monthly over the following thirty-six (36) months, subject to Employee's continued employment with the Company as of each such vesting date. The Option will be subject to the terms of the Company's equity incentive plan then in effect ("***Plan***"), and the Company's standard form of stock option agreement and grant notice, which Employee will be required to sign.

2.5 **Expense Reimbursement**. The Company will reimburse Employee for reasonable business expenses in accordance with the Company's standard expense reimbursement policy, as the same may be modified by the Board from time to time. The Company shall reimburse Employee for all customary and appropriate business-related expenses actually incurred

and documented in accordance with Company policy, as in effect from time to time. For the avoidance of doubt, to the extent that any reimbursements payable to Employee are subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"): (a) any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, (b) the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and (c) the right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

2.6 **Company Obligations upon Termination**. Upon termination of Employee's employment for any reason, Employee shall be entitled to receive the sum of: (a) the portion of Employee's Base Salary earned through the date of termination, but not yet paid to Employee; (b) any expenses owed to Employee pursuant to this Agreement; and (c) any amount accrued and arising from Employee's participation in, or benefits accrued under any employee benefit plans, programs or arrangements, which amounts shall be payable in accordance with the terms and conditions of such employee benefit plans, programs or arrangements.

2.7 **Severance Payments**.

(a) If Employee's employment terminates without Cause (as defined below), or pursuant to Employee's resignation with Good Reason, then, subject to Employee signing on or before the 60th day following Employee's Separation from Service (as defined below), and not revoking, a separation agreement and general release of claims in a form satisfactory to the Company (the "***Release***"), Employee shall receive, in addition to payments and benefits set forth in Section 2.5, an amount in cash equal to the Base Salary, payable in the form of salary continuation in regular installments over the 9-month period following the date of Employee's Separation from Service (the "***Severance Period***") in accordance with the Company's normal payroll practices, commencing on the Company's next regular payday following the effective date of the Release (with the first payment including all amounts accrued to date).

(b) For the sole purpose of determining Employee's right to severance payments and benefits as described above:

(i) "Cause" shall mean any of the following:

(A) Employee's commission of, or indictment or conviction for, any felony or any crime involving moral turpitude, dishonesty, or fraud by Employee;

(B) conduct by the Employee constituting a material act of misconduct in connection with the performance of Employee's duties, including, without limitation, (i) willful failure or refusal to perform material responsibilities that have been requested by the CEO or the Board; (ii) dishonesty to the CEO or the Board with respect to any material matter; or (iii) misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Company property for personal purposes;

(C) Any intentional material damage to any property of the Company or any of its affiliates by Employee;

(D) Employee's misconduct, regardless of whether or not in the course of the Employee's employment, which would reasonably be expected to materially and adversely reflect upon the business, operations or reputation of the Company or any of its affiliates, which misconduct has not been cured (or cannot be reasonably cured) within thirty (30) days after the Company gives written notice to Employee regarding such misconduct;

(E) Employee's failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation; or

(F) Employee's breach of any material provision of this Agreement or any other written agreement between Employee and the Company or any of its affiliates and failure to cure such breach (if reasonably capable of cure) within thirty (30) days after the Company gives written notice to Employee regarding such breach.

(ii) Employee's resignation will be for "Good Reason" if Employee resigns within sixty (60) days of the expiration of the Cure Period (defined below), after any of the following events, unless Employee consents to the applicable event in writing: (i) a material reduction in Employee's Base Salary except for across-the-board salary reductions based on the Company's financial performance similarly affecting all or substantially all senior management employees of the Company, (ii) a material diminution in Employee's authority, title or duties or areas of responsibility, (iii) the relocation of Employee's primary office to a location more than forty (40) miles from its current location, or (v) a material breach by the Company of this Agreement or any other written agreement with Employee. Notwithstanding the foregoing, no Good Reason will have occurred unless and until Employee has: (a) provided the Company, within sixty (60) days of Employee's knowledge of the occurrence of the facts and circumstances underlying the Good Reason event, written-notice stating with specificity the applicable facts and circumstances underlying such finding of Good Reason, and (b) Employee cooperates in good faith with the Company's efforts, for a period of not less than 30 days following such notice (the "Cure Period") to remedy the condition giving rise to Good Reason.

(c) (i) The intent of the parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A of the Code and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith.

(ii) For purposes of any compensation or benefits payable to Employee under this Agreement, all references to "termination of employment" and correlative phrases shall be construed to require a "separation from service" (as defined in Section 1.409A-1(h) of the Treasury regulations after giving effect to the presumptions contained therein) (a "***Separation from Service***").

(iii) Notwithstanding anything in this Agreement to the contrary, if Employee is deemed by the Company at the time of Employee's Separation from Service to be a "specified employee" for purposes of Section 409A of the Code, to the extent delayed commencement of any portion of the benefits to which Employee is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A of the Code, such portion of Employee's benefits shall not be provided to Employee prior to the earlier of (i) the expiration of the six-month period measured from the date of Employee's Separation from Service with the Company or (ii) the date of Employee's death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence shall be paid in a lump sum to Employee (or Employee's estate or beneficiaries), and any remaining payments due to Employee under this Agreement shall be paid as otherwise provided herein.

(iv) Employee's right to receive any installment payments under this Agreement, including without limitation any continuation salary payments that are payable on Company payroll dates, shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A of the Code. Except as otherwise permitted under Section 409A of the Code, no payment hereunder shall be accelerated or deferred unless such acceleration or deferral would not result in additional tax or interest pursuant to Section 409A of the Code. Notwithstanding anything to the contrary contained herein, if the period to consider, return and not revoke the Release crosses two calendar years, any payments or benefits described in Section 2.6 will be paid in the later calendar year.

3. **CONFIDENTIAL INFORMATION, INVENTIONS, NON-COMPETITION AND NON-SOLICITATION OBLIGATIONS**. As a condition of employment, Employee agrees to execute and abide by the Employee Confidential Information and Invention Assignment Agreement attached as Exhibit A ("***Confidential Information Agreement***"), which may be amended by the parties from time to time without regard to this Agreement. The Confidential Information Agreement contains provisions that are intended by the parties to survive and do survive termination of this Agreement.

4. **OUTSIDE ACTIVITIES DURING EMPLOYMENT**. Except with the prior written consent of the Company, Employee will not, while employed by the Company, undertake or engage in any other employment, occupation or business enterprise that would interfere with Employee's responsibilities and the performance of Employee's duties hereunder, except for (i) reasonable time devoted to volunteer services for or on behalf of such religious, educational, non-profit and/or other charitable organization as Employee may wish to serve, (ii) reasonable time devoted to activities in the non-profit and business communities consistent with Employee's duties, and (iii) such other activities as may be specifically approved in writing by the Company. The Company acknowledges that Employee is involved in the outside activities listed in Exhibit B hereto and hereby approves of such activities provided they do not post a conflict of interest or interfere with Employee's job duties for the Company. This restriction shall not, however, preclude Employee (i) from owning less than one percent (1%) of the total outstanding shares of a publicly-traded company, or (ii) from employment or service in any capacity with Affiliates of the Company. As used in this Agreement, "***Affiliates***" means an entity under common management or control with the Company. Employee agrees to promptly disclose to the Board his involvement in any activities contemplated by this Section 4.

5. **NO CONFLICT WITH EXISTING OBLIGATIONS**. Employee represents that Employee's performance of all the terms of this Agreement and as an Employee of the Company do not and will not breach any agreement or obligation of any kind made prior to Employee's employment by the Company, including agreements or obligations Employee may have with prior employers or entities for which Employee has provided services. Employee has not entered into, and Employee agrees that Employee will not enter into, any agreement or obligation, either written or oral, in conflict herewith.

6. **TERMINATION OF EMPLOYMENT**. The parties acknowledge that Employee's employment relationship with the Company is at-will. Either Employee or the Company may terminate the employment relationship for any reason whatsoever at any time, with or without cause or advance notice.

7. **GENERAL PROVISIONS**.

7.1 **Severability**. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

7.2 **Survival**. Provisions of this Agreement which by their terms must survive the termination of this Agreement in order to effectuate the intent of the parties will survive any such termination, whether by expiration of the term, termination of Employee's employment, or otherwise, for such period as may be appropriate under the circumstances.

7.3 **Waiver**. If either party should waive any breach of any provisions of this Agreement, it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

7.4 **Complete Agreement**. This Agreement constitutes the entire agreement between Employee and the Company with regard to the subject matter hereof. This Agreement is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter and supersedes any prior oral discussions or written communications and agreements. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in writing signed by Employee and an authorized officer of the Company. The parties have entered into a separate Confidential Information Agreement and have or may enter into separate agreements related to equity. These separate agreements govern other aspects of the relationship between the parties, have or may have provisions that survive termination of Employee's employment under this Agreement, may be amended or superseded by the parties without regard to this Agreement and are enforceable according to their terms without regard to the enforcement provision of this Agreement.

7.5 **Counterparts**. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

7.6 **Headings**. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

7.7 **Successors and Assigns**. The Company shall assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a party hereto, but may not otherwise assign this Agreement or its rights and obligations hereunder. The Employee may not assign or transfer this Agreement or any rights or obligations hereunder, other than to the Employee's estate upon Employee's death.

7.8 **Choice of Law**. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the Commonwealth of Massachusetts.

7.9 **Resolution of Disputes**. To ensure the timely and economical resolution of disputes that may arise in connection with Employee's employment with the Company, Employee and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance, negotiation, execution, or interpretation of this Agreement, or Employee's employment, or the termination of Employee's employment, including but not limited to all statutory claims (including, but not limited to, the Massachusetts Antidiscrimination Act, Mass. Gen. Laws Ch.l51B and the Massachusetts Wage Act, Mass. Gen. Laws Ch. 149), will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration by a single arbitrator conducted in Boston, Massachusetts by Judicial Arbitration and Mediation Services Inc. ("***JAMS***") under the then applicable JAMS rules (at the following web address: https://www.jamsadr.com/rules-employment-arbitration/); provided, however, this arbitration provision shall not apply to sexual harassment claims to the extent prohibited by applicable law. A hard copy of the rules will be provided to Employee upon request. **By agreeing to this arbitration procedure, both Employee and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**. In addition, all claims, disputes, or causes of action under this provision, whether by Employee or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class or representative proceeding, nor joined or consolidated with the claims of any other person or entity. The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. To the extent that the preceding sentences regarding class claims or proceedings are found to violate applicable law or are otherwise found unenforceable, any claim(s) alleged or brought on behalf of a class shall proceed in a court of law rather than by arbitration. The Company acknowledges that

Employee will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration under this Agreement shall be decided by the arbitrator. Likewise, procedural questions which grow out of the dispute and bear on the final disposition are also matters for the arbitrator. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award; (c) be authorized to award any or all remedies that Employee or the Company would be entitled to seek in a court of law; and (d) is authorized to award attorneys' fees to the prevailing party. Subject to the foregoing sentence, the Company shall pay for JAMS' arbitration fees, less the fees Employee would be required to pay were Employee's claims litigated in a court of law, and each party is responsible for its own attorneys' fees. Nothing in this Agreement is intended to prevent either Employee or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction. To the extent applicable law prohibits mandatory arbitration of sexual harassment claims, in the event Employee intends to bring multiple claims, including a sexual harassment claim, the sexual harassment claim may be publicly filed with a court, while any other claims will remain subject to mandatory arbitration.

[*Remainder of page intentionally left blank.*]

This offer will remain open until September 20, 2021. To accept this offer, please sign below and return the Agreement before September 20, 2021.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement on the day and year first written above.

PEPGEN INC.

By: /s/ James McArthur
James McArthur
Chief Executive Officer

Employee:

/s/ Jaya Goya
Jaya Goya

CONTRACT OF EMPLOYMENT

BETWEEN:

EMPLOYER **PepGen Limited**, of King Charles House, Park End Street, Oxford, OX1 1JD **(Company or we)**

EMPLOYEE **Caroline Godfrey**

DATED 1st November 2018

This contract of employment contains a statement of the applicable terms of your employment as required by section 1 of the Employment Rights Act 1996.

AGREED TERMS

1. INTERPRETATION

The following definitions and rules of interpretation apply in this Agreement.

1.1 Definitions:

Appointment	means the employment of you by the Company on the terms of this agreement.
Competing Business	means any business which competes, or proposes to compete, with any business carried on by the Company or any Group Company in which you were involved (other than on a minimal basis) at any time during the Relevant Period or about which you had access to Confidential Information.
Confidential Information	means information in whatever form (including, without limitation, in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) relating to the business, clients, customers, products, affairs and finances of the Company or any Group Company for the time being confidential to the Company or any Group Company and trade secrets including, without limitation, scientific/technical data and know-how relating to the business of the Company or of any Group Company or any of its or their suppliers, clients, customers, agents, distributors, shareholders or management, including information that you create, develop, receive or obtain in connection with the Appointment, whether or not such information (if in anything other than oral form) is marked confidential.
Copies	means copies or records of any Confidential Information in whatever form (including, without limitation, in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) including, without limitation, extracts, analysis, studies, plans, compilations or any other way of representing or recording and recalling information which contains, reflects or is derived or generated from Confidential Information.

Copyright	means copyright and related rights, database rights, rights in computer software, and all other similar rights in any part of the world.
Customer	means any person, firm, company or other undertaking who was provided with goods or services by the Company or any Group Company and with whom you dealt during the Relevant Period (other than on a minimal basis) or about whom you knew or had access to Confidential Information.
Group Company	means the Company, its Subsidiaries or Holding Companies from time to time and any Subsidiary of any Holding Company from time to time.
Intellectual Property	means patents, utility models, rights in designs, and registered trademarks, trade names and domain names, topography rights, rights in get-up, goodwill and the right to sue for passing off, unfair competition rights, rights to Inventions, Copyright, Know-How and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights which subsist or will subsist now or in the future in any part of the world
Inventions	means inventions, ideas, discoveries, improvements, modifications, developments, innovations, techniques, processes, methods and prototypes, whether patentable or protectable by a registered right in any part of the world and whether or not recorded in any medium.
Know-How	means all information relating to Inventions and all other scientific/technical information, in each case whether written or unwritten and whether in machine readable form and whether stored electronically or otherwise.
Prospective Customer	means any person, firm, company or other undertaking with whom or which, during the Relevant Period, the Company or any Group Company was in discussion with a view to providing goods or services, and in which discussions you were involved (other than on a minimal basis) or of which you had knowledge.
Relevant Period	means the period of 12 months ending with the Termination Date.
Restricted Employee	means any person or persons employed or engaged by the Company or any Group Company who could materially damage the interests of the Company if they were involved in a Competing Business and with whom you had dealings during the Relevant Period.

Restricted Goods or Services	means goods or services of the same type as, or similar to, goods and/or services supplied by the Company or any Group Company (1) at the Termination Date, or (2) at any time during the Relevant Period.
Subsidiary and Holding Company	means in relation to a company mean "subsidiary" and "holding company" as defined in section 1159 of the Companies Act 2006.
Termination Date	means the date on which your employment terminates.

1.2 The terms of this Contract comprise your terms and conditions of employment as required by S.1 of the Employment Rights Act 1996. In the event of a conflict between this contract of employment and your offer letter or Employee Handbook, the terms of this contract shall prevail.

1.3 The Company reserves the right to make changes to any of your terms of employment. You will be notified in writing of any change as soon as possible and in any event within one month of the change.

1.4 References to a statutory provision will be deemed to include all prior and subsequent enactments, amendments, modifications, re-enactments and extensions relating to that provision and any regulations made under it.

2. COMMENCEMENT OF EMPLOYMENT AND PROBATIONARY PERIOD

2.1 Your employment with the Company commences on 1 April 2018. No employment with a previous employer counts towards your period of continuous employment with the Company.

2.2 You will be required to complete a probationary period of six months from the date of commencement of employment. The probationary period may be extended for the better assessment of your performance. On the satisfactory completion of the probationary period, your employment will be confirmed. During the probationary period your employment may be terminated in accordance with clause 9.1 below.

2.3 You warrant that you are entitled to work in the UK without any additional approvals and will notify the Company immediately if you cease to be so entitled at any time during your employment with the Company.

3. JOB TITLE

3.1 You are employed as a Chief Executive Officer and report to the Chairman and Board.

3.2 You will carry out such duties and comply with such instructions consistent with your position and status as the Company may reasonably determine from time to time.

3.3 You shall not, without the prior consent of the Company, whether directly or indirectly, work for, be engaged by, concerned or interested in any capacity in any other trade, business or occupation other than the business of the Company while you are employed by the Company.

4. PLACE OF WORK

4.1 Your normal place of work is the Company's offices or such other place which the Company may reasonably require for the proper performance and exercise of your duties.

4.2 You will not be required to work outside the UK for any continuous period of more than one month during the term of your employment.

5. REMUNERATION

5.1 Your basic salary is £80,000 per annum.

5.2 Your salary will be paid in equal monthly instalments in arrears on or about the last day of each month directly into your bank or building society account and will be subject to the usual UK deductions for tax and National Insurance.

5.3 We shall be entitled to deduct from your salary or other payments due to you any money which you may owe to the Company at any time.

5.4 Your salary will be reviewed annually in line with normal practice. The Company is under no obligation to award an increase following your salary review. The fact that your basic salary may be increased in any year or years of employment does not confer any right on you to receive any increase in any subsequent year. There will be no review of salary after notice has been given by either party to terminate your employment.

5.5 The Company may, in its absolute discretion, pay to you an additional amount of remuneration ("bonus") of such amount and when it may determine subject to any specific performance objectives from time to time. Any such bonus payment is discretionary and is not part of your contractual remuneration for pension purposes or otherwise.

5.6 No bonus payment will be made if your employment is terminated or you are under notice of termination given by either party prior to the bonus payment date.

5.7 The payment of any bonus payment may at the discretion of the Company, be subject to conditions including, without limitation, entering into a new contract of employment.

5.8 The Company reserves the right to terminate or amend any bonus arrangements at any time. Receipt of a bonus payment in one year does not create a right to or expectation of any future bonus payments.

5.9 On termination of employment however arising you shall not be entitled to any compensation for the loss of any rights or benefits under any bonus scheme operated by the Company or any Associated Company in which you may participate.

6. HOURS OF WORK AND RULES

6.1 You will work such hours on such days as agreed between you and the Company from time to time. The Company's expectation at the outset is that your normal hours of work will be 35 per week to be worked between 9am and 5.00pm Monday to Friday. You may be required to work such additional hours as may be necessary for the proper performance of your duties without extra remuneration.

6.2 You agree that the 48-hour weekly working time limit under the Working Time Regulations shall not apply to you. You understand that you can withdraw your agreement to this by giving the Company not less than 3 months' written notice.

6.3 You are always required to comply with our rules, policies and procedures in force from time to time, copies of which are contained in the staff handbook.

7. HOLIDAYS

7.1 You are entitled to 25 days' holiday during each holiday year. In addition, you are entitled to take the usual public holidays in England and Wales or a day in lieu where we require you to work on a public holiday. You will be paid your normal basic remuneration during such holidays. The Company's holiday year runs between 1 January and 31 December. If your employment starts or finishes part way through the holiday year, your holiday entitlement during that year shall be calculated on a pro-rata basis.

7.2 Holiday dates must be agreed by your line manager in writing in advance. Although the Company will agree to your proposed holiday dates wherever possible, it reserves the right to withhold approval where necessary to protect the interests of the business. We may require you to take holiday on specific days which will be notified to you.

7.3 You cannot carry untaken holiday entitlement forward from one holiday year to the following holiday year unless a period of sickness absence or statutory maternity, paternity, adoption, parental or shared parental leave has prevented you from taking it in the relevant year. In cases of sickness absence, carry-over is limited to four weeks' holiday per year less any leave taken during the leave year that has just ended. Any such carried over holiday which is not taken within eighteen months of the end of the relevant holiday year will be lost.

7.4 We reserve the right, to require you to take or not to take all or part of any outstanding holiday during any notice period or period of Garden Leave or to make payments in lieu of untaken holiday on termination based on 1/260th of your salary for each untaken day of your entitlement under clause 7.1 for the holiday year.

7.5 If you have taken more holiday than your accrued entitlement at the date your employment terminates, we shall be entitled to deduct from any payments due to you one day's pay calculated at 1/260th of your salary for each excess day.

8. INCAPACITY

8.1 If you are absent from work due to incapacity, you must telephone your line manager informing them of the reason for your absence as soon as possible but no later than 9am on the first day of absence.

8.2 In all cases of absence, a self-certification form, which will be provided to you, must be completed on your return to work and supplied to your line manager. For any period of incapacity which lasts for seven consecutive days or more, a doctor's certificate stating the reason for absence must be obtained at your own cost and supplied to your line manager. Further certificates must be obtained if the absence continues for longer than the period of the original certificate.

8.3 Failure to comply with the above procedures may disqualify you from receiving Statutory Sick Pay (SSP). Your qualifying days for SSP purposes are those days of the week on which you are due to work in accordance with this Agreement.

8.4 If you are absent from work for more than three days by reason of incapacity and you satisfy the relevant requirements, you will be entitled to SSP.

8.5 There is no entitlement to sick pay from the Company although the Company may, entirely at its discretion, continue to pay you at your normal rate of pay or at a reduced rate for such period or periods as it thinks fit. Any such payment will include any SSP also payable and may be reduced by the amount of any Social Security benefits recoverable by you (whether recovered) in respect of your illness or injury.

8.6 If you are absent from work due to an accident which occurred or a condition which was sustained either on or off duty any company sick pay paid in respect of your absence will be paid as a loan which you must repay to the Company if you recover damages in respect of your absence from work.

8.7 The Company will be entitled, at its expense, to require you to be examined by an independent medical practitioner of the Company's choice at any time (whether you are absent by reason of sickness or injury) and you agree that the doctor carrying out the examination may disclose to and discuss with the Company the results of the examination.

8.8 For the avoidance of doubt the Company will be entitled to terminate your employment in accordance with the terms of this Agreement (whether with or without notice as appropriate in the circumstances) during any period of sickness absence, whether paid or unpaid.

9. TERMINATION AND NOTICE PERIOD

9.1 During the probation period your employment may be terminated at any time on one week's prior written notice. Following the completion of the probation period, either of us can terminate your employment by giving three months' notice in writing, or the statutory minimum notice period, whichever is greater.

9.2 The Company shall be entitled at its sole and absolute discretion lawfully to terminate your employment at any time and with immediate effect by written notification to you and to pay within one month following the date of such termination a payment in lieu of notice (PILON) to you. For the avoidance of doubt, the termination of your employment shall be effective on such written notification and shall not be deferred until the PILON is paid. The total PILON will be equal to the basic salary due under Clause 5.1 which you would have been entitled to receive under this Agreement during the notice period referred to in clause 9.1 (or, if notice has already been given, during the remainder of such notice period) (subject to statutory deductions).

9.3 After notice of termination has been given by either party pursuant to clause 9.1, provided that the Company continues to provide you with your normal salary and benefits under this contract until your employment terminates, the Company may at its absolute discretion without breaking the terms of this Contract or giving rise to any claim against the Company or any Group company for all or part of your notice period place you on garden leave by:-

9.3.1 excluding you from your place of work and/or the premises of the Company and/or any Group Company as appropriate;

9.3.2 requiring you to carry out specified duties (consistent with your status, role and experience with the Company) other than your normal duties or to carry out no duties;

9.3.3 instructing you not to communicate orally or in writing with suppliers, customers, employees, agents/or representatives of the Company or any Group Company until your employment has terminated.

9.3.4 During any period of notice or garden leave, you may not without the prior written consent of the Company in writing, update any Linkedln (or equivalent media sites) account to notify any professional contacts added to your LinkedIn account during your employment that you are leaving the Company and/or will be working elsewhere.

9.4 Nothing in these terms and conditions prevents us from terminating your employment summarily without notice or payment in lieu in the event of gross misconduct or if you commit a serious breach of your obligations as an employee.

10. DISCIPLINARY AND GRIEVANCE PROCEDURES

10.1 Your attention is drawn to the disciplinary and grievance procedures applicable to your employment, copies of which are contained in the staff handbook. These procedures do not form part of your contract of employment.

10.2 If you wish to appeal against a disciplinary decision you may apply in writing to the person who held the disciplinary meeting.

10.3 If you wish to raise a grievance you may apply in writing to your line manager. If the matter concerns your line manager, you should send your grievance to an alternative manager.

11. PENSIONS

11.1 The Company will automatically enrol you into a pension scheme, in accordance with the Scheme rules. Further details will be provided upon joining.

11.2 The Company shall provide a Company pension contribution equivalent to 5% of your basic salary, into the Company's Pension Plan (Company Pension) subject to its rules from time to time in force and any statutory limits imposed, from time to time, subject to you also contributing a minimum of 5% of your basic salary. Details of the Company Pension can be obtained from the Company.

11.3 The Company reserves the right to vary the benefits payable under the Company Pension or, terminate, or substitute another pension scheme for the existing Company Pension at any time.

12. COLLECTIVE AGREEMENT

There is no collective agreement which directly affects your employment.

13. DATA PROTECTION AND MONITORING

13.1 The Company will process your personal data (including special category/sensitive personal data) in accordance with the Employee Privacy Notice.

13.2 You agree to use all reasonable endeavours to keep the Company informed of any changes to your personal data. You will notify the Company in writing of any change in your personal circumstances (including, without limitation, change of address, telephone number, next of kin, bank or building society details (for payment purposes), dependants, marriage status, qualifications, licenses, immigration status and criminal convictions).

13.3 You will comply with the relevant obligations under the Data Protection Act 2018 and associated codes of practice when processing personal data relating to any employee, worker, customer, client, supplier or agent of the Company.

14. CONFIDENTIAL INFORMATION

14.1 Without prejudice to your common law duties, you shall not (except in the proper course of your duties, as authorised or required by law or as authorised by the Company), either during the Appointment or at any time after termination of the Appointment (howsoever arising):

14.1.1 use any Confidential Information; or

14.1.2 make or use any Copies; or

14.1.3 disclose any Confidential Information to any person, company or other organisation whatsoever.

14.2 You shall be responsible for protecting the confidentiality of the Confidential Information and shall:

14.2.1 use your best endeavours to prevent the use or communication of any Confidential Information by any person, company or organisation (except in the proper course of your duties, as required by law or as authorised by the Company); and

14.2.2 inform the Company immediately on becoming aware, or suspecting, that any such person, company or organisation knows or has used any Confidential Information.

14.3 All Confidential Information and Copies shall be the property of the Company and on termination of the Appointment, or at the request of the Company, at any time during the Appointment, you shall:

14.3.1 hand over all Confidential Information or Copies to the Chairman;

14.3.2 irretrievably delete any Confidential Information (including any Copies) stored on any magnetic or optical disk or memory, including personal computer networks, personal e-mail accounts or personal accounts on websites, and all matter derived from such sources which is in your possession or under your control outside the Company's premises; and

14.3.3 provide a signed statement that you have complied fully with your obligations under this clause 14.

14.4 Nothing in this clause 14 shall prevent you from making a protected disclosure within the meaning of section 43A of the Employment Rights Act 1996.

15. COMPANY PROPERTY

15.1 All documents, manuals, hardware and software provided for your use by the Company, and any data or documents (including copies) produced, maintained or stored on the Company's computer systems or other electronic equipment (including mobile phones), remain the property of the Company.

15.2 Any Company property in your possession and any original or copy documents obtained by you during your employment shall be returned to your line manager at any time on request and in any event on termination of your employment with the Company or at the start of any period of garden leave.

16. INTELLECTUAL PROPERTY

16.1 You agree that the Company shall own free from encumbrances all Inventions made, discovered or created by you at or outside your normal place of work:

16.1.1 during your normal duties under this Agreement;

16.1.2 outside your normal duties under this Agreement but which were specifically assigned to you; or

16.1.3 during your duties even if your normal duties do not include creating Inventions, and you hereby acknowledge that, because the nature of your duties and responsibilities means you have a special obligation to further the interests of the Company.

16.2 When requested by the Company or upon termination of this Agreement for any reason, you shall promptly give the Board full details of all Know-How which you created during your employment which may be of benefit to the Company.

16.3 You agree at the Company's request and in any event on the termination of your employment to give to the Company all originals and copies of correspondence, documents, papers and records on all media which record or relate to any Intellectual Property created by you during your employment.

16.4 You agree that all Intellectual Property created by you during your Employment shall vest in the Company, and you hereby assign to the Company by way of present and future assignment any such rights which do not so vest for any reason whatsoever in the Company. You waive all moral rights in all such Copyright vesting in or assigned to the Company.

16.5 You agree to collaborate only with other employees of the Company or as the Company directs to make or create the Intellectual Property vesting in or assigned to the Company under this Agreement.

16.6 You agree, during and after your employment at the Company's expense, to do all such acts and things including without limitation executing documents, as the Board may request, in respect of the Intellectual Property vesting in or assigned to the Company under this Agreement, to enable the Company to:

16.6.1 apply for any registered rights in such Intellectual Property;

16.6.2 be effectively vested with such Intellectual Property; and

16.6.3 obtain, maintain, defend and enforce such Intellectual Property.

16.7 You hereby irrevocably appoint the Chairman of the Company (whoever that may be from time to time) to be your attorney to do all such acts and things as the Board may request for the purposes stated in this clause.

16.8 Prior to the Company being enabled under the clause above, you shall hold in trust for the Company any rights you own in the Intellectual Property mentioned in that clause.

16.9 You shall not do or omit to do anything which will or may result in imperilling the Intellectual Property vesting in or assigned to the Company under this Agreement, including without limitation publishing any of it.

16.10 You acknowledge the need for the strictest secrecy in respect of all Inventions and Know-How belonging to the Company.

16.11 To the extent that title in any Employment IPRs or Employment Inventions do not belong the Company by clause 16.1, you agree, immediately upon creation of such rights and inventions, to offer to the Company in writing a right of first refusal to acquire them on arm's length terms to be agreed between the parties. If the parties cannot agree on such terms within 30 days of the Company receiving the offer, the Company shall refer the dispute to a mutually acceptable independent expert (or, if agreement is not reached within five business days of either party giving notice to the other that it wishes to refer a matter to an independent expert, such independent expert as may be nominated by an appropriate authority, which the parties shall seek in good faith to agree) (Expert). In relation to matters referred to the Expert:

16.11.1 the parties are entitled to make submissions to the Expert and will provide (or procure that others provide) the Expert with all such assistance and documents as the Expert may

reasonably require for reaching a decision. Each party shall with reasonable promptness supply each other with all information and give each other access to all documentation and personnel as the other party reasonably requires making a submission under this clause;

16.11.2 the parties agree that the Expert may in its reasonable discretion determine such other procedures to assist with the conduct of the determination as it considers appropriate;

16.11.3 the Expert shall act as an expert and not as an arbitrator. The Expert's decision shall be final and binding on the parties in the absence of fraud or manifest error; and

16.11.4 the Expert's fees and any costs properly incurred by them in arriving at a determination (including any fees and costs of any advisers appointed by the Independent Expert) shall be borne by the parties in equal shares or in such proportions as the Independent Expert shall direct.

16.12 You agree that the provisions of this clause 16 shall apply to all Employment IPRs and Employment Inventions offered to the Company under this clause 16 until the Company has agreed in writing that you may offer them for sale to a third party.

16.13 You agree:

16.13.1 to give the Company full written details of all Employment Inventions promptly on their creation;

16.13.2 at the Company's request and in any event on the termination of your employment to give to the Company all originals and copies of correspondence, documents, papers and records on all media which record or relate to any of the Employment IPRs;

16.13.3 not to attempt to register any Employment IPR nor patent any Employment Invention unless requested to do so by the Company; and

16.13.4 to keep confidential each Employment Invention unless the Company has consented in writing to its disclosure you.

16.14 You agree that you waive all your present and future moral rights which arise under the Copyright Designs and Patents Act 1988, and all similar rights in other jurisdictions relating to any copyright which forms part of the Employment IPRs, and agrees not to support, maintain nor permit any claim for infringement of moral rights in such copyright works.

16.15 You acknowledge that, except as provided by law, no further remuneration or compensation other than that provided for in this Agreement is or may become due to you in respect of your compliance with this clause 16. This is without prejudice to your rights under the Patents Act 1977.

16.16 You agree to use your best endeavours to execute all documents and do all acts both during and after your employment by the Company as may, in the opinion of the Board, be necessary or desirable to vest the Employment IPRs in the Company, to register them in the name of the Company and to protect and maintain the Employment IPRs and the Employment Inventions. Such documents may, at the Company's request, include waivers of all and any statutory moral rights relating to any copyright works which form part of the Employment IPRs. The Company agrees to reimburse you with reasonable expenses of complying with this clause 16.16.

16.17 You agree to give all necessary assistance to the Company to enable it to enforce its Intellectual Property Rights against third parties, to defend claims for infringement of third party Intellectual Property Rights and to apply for registration of Intellectual Property Rights, where appropriate throughout the world, and for the full term of those rights. The Company agrees to reimburse you reasonable expenses of complying with this clause 16.17.

17. RESTRICTIVE COVENANTS

17.1 You undertake to the Company (for itself as trustee and agent for each Group Company) that you will not, without the prior written consent of the Company, directly or indirectly:

17.1.1 during the period of employment and for a period of 6 months from the Termination Date, be engaged, interested or concerned whether as principal, agent, representative, partner, director, employee, joint venturer, investor, consultant or otherwise in any Competing Business, except that you may hold up to 5% of any class of securities of any company listed on a recognised investment exchange;

17.1.2 for a period of 6 months from the Termination Date, on behalf of a Competing Business:

(a) have dealings with any Customer in relation to Restricted Goods or Services; or

(b) have dealings with any Prospective Customer; or

17.1.3 for a period of 6 months from the Termination Date, on behalf of a Competing Business:

(a) entice or solicit, or endeavour to entice or solicit, the custom or business of any Customer in relation to Restricted Goods or Services; or

(b) entice or solicit, or endeavour to entice or solicit, the custom or business of any Prospective Customer in relation to Restricted Goods or Services; or

17.1.4 for a period of 6 months from the Termination Date be directly involved in the employment of any Restricted Employee with a view to such Restricted Employee working for or providing services to a Competing Business; or

17.1.5 for a period of 6 months from the Termination Date, entice or solicit, or endeavour to entice or solicit, away from the Company or any Group Company any Restricted Employee with a view to such Restricted Employee working for or providing services to a Competing Business.

17.2 The duration of the restrictions in Clauses 17.1.1 to 17.1.5 will be reduced by any period of time that you have spent on garden leave.

17.3 You acknowledge and agree that each of Clauses 17.1.1 to 17.1.5 constitutes an entirely separate and independent restriction on you and that the duration, extent and application of each of such restrictions are no greater than is necessary for the protection of the legitimate interests of the Company.

17.4 While the restrictions set out in Clauses 17.1.1 to 17.1.5 are considered by the parties to be reasonable in all the circumstances, it is acknowledged that restrictions of such a nature may fail or become invalid for reasons unforeseen or because of changing circumstances and, accordingly, you agree that if any of such restrictions will be adjudged to be void or ineffective as going beyond what is reasonable in all the circumstances for the protection of the interests of the Company or for any other reason, but would be valid and effective if part of the wording of it was deleted and/or any period or area referred to in it reduced in time or scope, such restrictions will apply with such deletions or modifications as may be necessary to make them valid and effective.

17.5 Before accepting any offer of future employment with another employer, you will disclose a copy of this clause 17 and relevant defined terms to the prospective employer.

17.6 If any person who is an employee or was formerly an employee of the Company or any Group Company solicits, induces or endeavours to solicit or induce you to leave the employment of the Company with a view to taking up a position as representative, partner, director, employee, joint venturer, investor, consultant or otherwise of any Competing Business you will immediately inform the Chairman & Board of the Company.

17.7 The obligations entered into by you in this clause 17 are given to the Company for itself and as trustee for each and any Group Company, and the Company declares that, to the extent that such obligations relate to any Group Company, the Company holds the benefit of them as trustee.

18. BRIBERY

18.1 You are expected to comply with all laws relevant to countering bribery and corruption including the Bribery Act 2010.

18.2 You are required to assist the Company with the prevention, detection and reporting of bribery and other forms of corruption. You should avoid any activity that might lead to, or suggest, a breach of the laws relating to bribery and corruption.

18.3 You must notify the Chairman & Board as soon as possible if you believe or suspect that a breach of the bribery and corruption laws has occurred or may occur in the future.

18.4 If you breach this clause you may face disciplinary action, which could result in dismissal for gross misconduct.

19. RECONSTRUCTION AND AMALGAMATION

19.1 If your employment is terminated at any time by reason of any reconstruction or amalgamation of the Company and you are offered employment with any concern or undertaking involved in or resulting from such reconstruction or amalgamation on terms which (considered in their entirety) and no less favourable in any material extent than the terms of this Agreement, you shall have no claim against the Company or any such undertaking arising out of or connected with such termination.

20. THIRD PARTY RIGHTS

No person other than you and the Company may enforce any terms of this agreement.

21. COUNTERPARTS

This agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, and all the counterparts together shall constitute one and the same instrument.

22. GOVERNING LAW

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

23. JURISDICTION

The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

I understand and agree to the terms and conditions of my contract of employment as set out above.

Signed by
Caroline Godfrey

/s/ Caroline Godfrey (signature)

Caroline Godfrey (print name)

1 Dec. 18 (date)

Exhibit 10.10

Certain identified information has been excluded from this exhibit because it is both not material and is the type that the registrant treats as private or confidential. Information that was omitted has been noted in this document with a placeholder identified by the mark "[***]".

DATED 23 November 2020

(1) OXFORD UNIVERSITY INNOVATION LIMITED

and

(2) PEPGEN LIMITED

and

(3) MEDICAL RESEARCH COUNCIL AS PART OF UNITED KINGDOM RESEARCH AND INNOVATION

LICENCE OF TECHNOLOGY

(OUI PROJECT Numbers [***])

(MRC PROJECT Numbers [***])

THIS AGREEMENT is made on November 2020 ("Effective Date")

BETWEEN:

(1) **OXFORD UNIVERSITY INNOVATION LIMITED** (Company No. 2199542) whose registered office is at University Offices, Wellington Square, Oxford 0X1 2JD, England ("**OUI**")**;**

(2) **MEDICAL RESEARCH COUNCIL** as part of United Kingdom Research and Innovation (also known as UK Research and Innovation) a body corporate established pursuant to section 91 of the Higher Education and Research Act 2017 whose address is Polaris House, North Star Avenue, Swindon, SN2 1 FL ("MRC"); and

(3) **PEPGEN LIMITED** (Company Registration No. 11170794) whose registered office is at Bioescalator, Innovation Building, The Old Road Campus, Roosevelt Drive, Headington, Oxford 0X3 7FZ (the "**Licensee**")**.**

BACKGROUND:

(A) The Licensed Data are owned by OUI. The Licensed Technology, with the exception of the DM1 Application, is owned by OUI and MRC. The DM1 Application is owned by OUI, MRC, Association Institut de Myologie, INSERM and Sorbonne Universite (the latter three institutions being the "**French Institutions**") pursuant to a co-ownership agreement between OUI and the French Institutions ("**Co-ownership Agreement**"). Under the Co-ownership Agreement, the French Institutions have granted to OUI the exclusive right to grant commercial licences to third parties. The Licensed Data and Licensed Technology are connected with OUI Project Numbers [***] and MRC Asset Number: [***], in respect of cell penetrating peptides for treatment of Duchenne muscular dystrophy, spinal muscular atrophy and other conditions.

(B) The Licensee and Licensors entered into an agreement dated 26 March 2018 ("**Original Licence Agreement**") whereby the Licensors granted the Licensee an exclusive licence to the Licensed Technology as amended by an addendum dated 21 December 2018 (the "**Addendum**"),

(C) The Licensee and Licensors now wish to amend and restate the terms of the licence granted under the Original Licence Agreement as amended by the Addendum.

AGREEMENT:

1. INTERPRETATION

1.1 In this agreement (including its Schedules), any reference to a "**clause**" or "**Schedule**" is a reference to a clause of this agreement or a schedule to this agreement, as the case may be. Words and expressions used in this agreement have the meaning set out in Schedule 1 .

2. GRANT OF LICENCE

2.1 The licence granted under the Original Licence Agreement as modified by the Addendum shall, with effect from the Effective Date, be subject to the terms and conditions of this agreement in lieu of the terms and conditions of the Original Licence Agreement and Addendum which shall have no effect on or after the Effective Date.

2.2 For the avoidance of doubt, notwithstanding the reference to certain indications in recital (A) above, the licence granted under clause 2.3 below is unrestricted as to field and accordingly the Licensee shall be free to use the Licensed Technology in any indication.

2.3 In consideration of the payments required to be made under this agreement by the Licensee, each of the Licensors grants to the Licensee a licence in the Territory in respect of the Licensed Technology to Exploit the Licensed Product and Licensed Technology on and subject to the terms and conditions of this agreement. Subject to clause 3, the Licence is exclusive in relation to the Licensed Technology (excluding the Licensed Know-How). The Licence is non-exclusive in relation to the Licensed Know-How.

2.4 OUI confirms that it has supplied (and to the extent that it has not, undertakes within [***] of the Effective Date to supply) the Licensee with all of the Licensed Know-How and the Licensed Data.

2.5 The Licensee may grant sub-licences with the prior written consent of OUI or MRC, such consent not to be unreasonably withheld, conditioned or delayed, provided that:

2.5.1 the sub-licensee has obligations to the Licensee commensurate with those which the Licensee has to each of the Licensors under this agreement, except the financial terms of this agreement or where it is not legally possible to include such obligations in the sub-licence;

2.5.2 the nature of the proposed sub-licensee is not likely in OUI's or MRC's reasonable opinion to have any detrimental impact on the reputation of OUI, MRC or of the University;

2.5.3 as soon as reasonably practicable following the grant of each sub-licence, the Licensee provides a certified copy of that sub-licence to each of the Licensors, such copy to be Confidential Information of the Licensee which may be redacted to the extent any information in such sub-licence does not relate to the Licensed Technology, the Licensors and/or this agreement;

2.5.4 the sub-licensee enters into a Deed of Covenant with the Licensors in the form set out in Schedule 6; and

2.5.5 no sub-licence will carry any right to sub-sub-license (other than a sub-sub-licence of a nature substantially similar to that of clause 2.6 below).

2.6 In addition to its right under clause 2.5 above, the Licensee shall, without requiring the consent of the Licensors (or either of them), be entitled to grant sub-licenses (i) to its Affiliates; and (ii) to those persons whom the Licensee (or its Affiliates) contracts to perform research and/or development services (including clinical trials) on or in relation to Licensed Product but only to the extent necessary for those contractors to perform the work contracted to them.

2.7 Any rights not expressly granted under this Agreement are hereby reserved to their respective proprietors.

3. RIGHTS REGARDING NON-COMMERCIAL USE

3.1 The Licensee grants OUI an irrevocable, perpetual, royalty-free licence to grant the University, and those who at any time work or have worked on the Licensed Technology, the licence set out in clause 3.2.

3.2 Without prejudice to clause 3.4, OU I has granted to the University, and those persons who at any time work or have worked on the Licensed Technology, a non- transferable, irrevocable, perpetual, royalty-free licence to use the Licensed Technology for Non-Commercial Use and to publish, the Licensed Technology.

3.3 Without prejudice to clause 3.4, the Licensee hereby grants to MRC a non- transferable, irrevocable, perpetual, royalty-free licence to use the Licensed Technology for Non-Commercial Use and to publish, the Licensed Technology. MRC also has the right to grant sub-licences to any persons at MRC or academic/not-for-profit institutions who at any time work or have worked on or funded or whose collaboration with MRC has contributed to the creation of, the Licensed Technology for Non-Commercial Use only.

3.4 For the avoidance of doubt, the Licensee agrees that each of MRC, OUI and the University is free to use, publish (subject to clauses 3.6 and 3.7 below) or grant licences to the Licensed Know-How in any fields in any territories, as it sees fit.

3.5 The Licensors acknowledge that Licensee has an expectation of commercial confidentiality in relation to Confidential Information provided by the Licensee to the Licensors in relation to all pre-clinical and clinical uses of its lead candidate Licensed Products, and that such uses incur liability risks and regulatory obligations.

3.6 Where the University wishes to submit a publication including the Licensed Know-How and/or the Licensed Data (together the "Relevant Know-How and Data"), OUI shall procure that the University will use all reasonable endeavours to submit such draft publication to the Licensee in writing not less than [***] in advance of the submission for publication. The Licensee may make a written request to the University to delay submission for publication if, in the Licensee's reasonable opinion, such delay is necessary in order to (i) seek patent or similar protection for the Relevant Know-How and Data; and/or (ii) safeguard its valuable proprietary information and/or trade secrets. A delay imposed on submission for publication as a result of a written request made by the Licensee shall not last longer than is necessary to seek required protection; and therefore shall not exceed [***] from the date of receipt of the written request to delay submission for publication by the Licensee, although OUI will procure that the University will not unreasonably refuse a request from the Licensee for additional delay in the event that Intellectual Property Rights would otherwise be lost. If Relevant Know-How and Data that is to be included in any proposed publication comprises of valuable proprietary information and/or trade secrets that are not patentable (or that it are patentable but maintaining such information as a trade secret is, in Licensee's reasonable opinion, preferable to patenting it) the Licensee and OUI shall, in good faith, seek to agree upon the steps to be taken to ensure the value of Relevant Know-How and Data is retained while at the same time trying to enable the University to make some form of agreed publication. Notification of the requirement for delay in submission for publication must be received by the University within [***] after the receipt of the notice of intention to publish by the Licensee, failing which the University shall be free to assume that the Licensee has no objection to the proposed publication.

3.7 Where MRC wishes to submit a publication including the Licensed Know-How, MRC will use all reasonable endeavours to submit such draft publication to the Licensee in writing not less than [***] in advance of the submission for publication. The Licensee may make a written request to MRC to delay submission for publication if, in the Licensee's reasonable opinion, such delay is necessary in order to (i) seek patent or similar protection for the Licensed Know-How; and/or (ii) safeguard its valuable proprietary information and/or trade secrets. A delay imposed on submission for publication as a result of a written request made by the Licensee shall not last longer than is necessary to seek required protection; and therefore shall not exceed [***] from the date of receipt of the written request to delay submission for publication by the Licensee, although MRC will not unreasonably refuse a request from the Licensee for additional delay in the event that Intellectual Property Rights would otherwise be lost. If the Licensed Know-How that is to be included in any proposed publication comprises of valuable proprietary information and/or trade secrets that are not patentable (or that it is patentable but maintaining such information as a trade secret is, in Licensee's reasonable opinion, preferable to patenting it) the Licensee and MRC shall, in good faith, seek to agree upon the steps to be taken to ensure the value of the Licensed Know-How is retained while at the same time trying to enable MRC to make some form of agreed publication. Notification of the requirement for delay in submission for publication must be received by MRC within [***] after the receipt of the notice of intention to publish by the Licensee, failing which MRC shall be free to assume that the Licensee has no objection to the proposed publication.

3.8 The Licensors shall not (and OUI undertakes to procure that the University shall not) take any action (including entering in to any agreement) which is inconsistent with their obligations hereunder or is otherwise conflicting with the Licensee's rights hereunder.

3.9 Where the University, OUI or MRC (or any of their respective employees, officers, students or other representatives) wants to conduct any study in human volunteers or patients (e.g. a clinical trial) or any study in animals in accordance with Good Laboratory Practice which makes any use of the Licensed Technology, OUI (in the case of itself and/or the University) or MRC will use reasonable endeavours to notify the Licensee in writing as soon as reasonably practicable, and provide, subject to third-party rights and/or obligations, to the Licensee, in confidence, details of the Compounds that are the subject of such study and, upon request, a copy of the protocol for such study and such other information as Licensee may reasonably require in order to assess the implications of such study (for example, the relevant investigators' brochure or investigational medicinal product dossier where applicable). Having regard to the commercial sensitivity of any public disclosure of the identity of the Licensee's lead Compounds and the potential regulatory implications of the conduct of studies thereon, OUI and MRC undertake to consider (and to procure that the University and, if relevant, the co-owners of the DM1 Application consider) in good faith any reasonable requests made by the Licensee to use alternative Compounds nominated by the Licensee in place of the originally specified Compounds, where the use of such alternative Compounds will protect the Licensee's Confidential Information and/or modify the study protocol (for example, to reduce dose) without adversely affecting the conduct of the such clinical trial.

3.10 Matters pertaining to the Addendum

3.10.1 The Addendum shall be annulled with effect from the Effective Date whereupon it shall cease to have any effect and, for the avoidance of doubt, OUI hereby waives its rights under clause 3.2.2 of the Addendum.

3.10.2 OUI confirms that they have not (and OUI confirms that the University has not) granted any right to any person in or to the DPFS Funded Technology (as defined in the Addendum) whether under clause 3.2.1 of the Addendum or otherwise.

4. FILING AND MAINTENANCE

4.1 The Licensee will pay OUI the DM1 Past Patent Costs within [***] of receiving an invoice from OUI.

4.2 OUI will in consultation with the Licensee and at the Licensee's cost, prosecute, use all reasonable endeavours to maintain, and renew the Applications throughout the duration of this agreement. OUI will give all reasonable consideration to the views of the Licensee and will not unreasonably refuse to prosecute, maintain or renew the Applications provided always that the Licensee agrees to bear the costs of such action according to this clause 4.2. The Licensee will reimburse OUI for all costs, filing fees, lawyers' and patent agents' fees, expenses and outgoings of whatever nature incurred by OUI in the prosecution, maintenance and renewal of any of the Applications (including those incurred in opposition proceedings before the European Patent Office or in ex parte re-examination or inter partes review proceedings in the United States Patent and Trademark Office ("**USPTO**") or any similar proceedings before any patent office challenging the grant or validity of any of the Applications) within [***] of receiving an invoice from OUI. OUI shall be entitled to make it a condition of any action of OUI under this clause 4.2 that the Licensee provides OUI with sufficient money in advance to cover the costs likely to be incurred in the action.

4.3 Where any of the Applications is prosecuted in the USPTO and the Licensee is a small business concern as defined under the US Small Business Act (15 USC 632) OUI intends to pay reduced USPTO patent fees under US patent law 35 USC 41 (h)(1). The Licensee will notify OUI as soon as reasonably possible if it or a sub-licensee ceases to be a small business concern as defined under the US Small Business Act (15 USC 632) or becomes aware of any other reason why it would not qualify for reduced USPTO patent fees under US patent law 35 USC 41(h)(1).

4.4 OUI shall procure that its patent agent(s) provide MRC with copies of Applications and Applications office actions on the same and with an annual update on the status of the Applications in each territory. MRC will grant a power of attorney to patent agent(s) to the extent required to act on MRC's behalf for filing, prosecuting, maintaining and renewing the Applications, as requested by OUI or its patent agent(s).

4.5 The Licensee shall inform OUI not less than [***] in advance of any national phase filing deadline of the territories within the scope of the PCT that it wishes to be covered in the national phase of any of the Applications. In the event that the Licensee does not give the required minimum of [***] advance notice OUI shall then be entitled to proceed with filing the Applications at the Licensee's cost in whichever territories as it may in its sole discretion decide.

4.6 Subject to MRC having the right to take over prosecution and maintenance of that Application in accordance with clause 4.8, the Licensee shall be entitled to remove any one or more of the countries from the Territory at any time by giving not less than [***] notice to OUI. If the relevant Application is proceeding under the PCT then such notice may not be given any earlier than the date for commencement of the national phase filing. For the avoidance of doubt the Licensee shall remain liable for the costs mentioned in clause 4.2 that arise or are incurred by OUI during the said notice period in respect of the countries being removed.

4.7 Unless as permitted by clause 4.8, OUI or the Licensee (in the case where OUI has transferred the prosecution or maintenance of the Applications to the Licensee in accordance with clause 4.8 below) will not abandon or transfer the prosecution or maintenance of any Applications without the prior written consent of MRC, such consent not to be unreasonably withheld or delayed.

4.8 In the event that OUI elects to discontinue the prosecution and/or maintenance of any of the Applications, OUI shall notify the Licensee of such election in writing (such notice to be given where reasonably possible no less than [***] prior to such patent rights lapsing). The Licensee shall have the right, but not the obligation to take over prosecution and maintenance of that Application in the joint names of the Licensors. The Licensee shall have [***] from the date of such election in writing to notify OUI that it wishes to take over prosecution and maintenance. If the Licensee elects not to prosecute or maintain or to abandon any or all of the Applications in any or all of the Major Territories for which it has assumed responsibility pursuant to this clause, the Licensee shall notify MRC of such election in writing (such notice to be given where reasonably possible no less than [***] prior to such patent rights lapsing). MRC shall have [***] to inform the Licensee (as applicable) that it wishes to assume responsibility for managing and maintaining the Applications in question and should MRC wish to exploit such Applications on behalf of the parties, the Licensors shall enter into a co-ownership agreement on reasonable terms to be agreed between the Licensors. Immediately following execution of such co-ownership agreement, such Applications will no longer be governed by this agreement. For the purpose of this agreement, "**Major Territories**" means [***].

4.9 OUI and MRC will consider any request by the Licensee for the Licensee to take over the prosecution and maintenance of the Applications and will not unreasonably refuse to agree to the Licensee taking over the prosecution and maintenance of the Applications. The Licensee shall refrain from submitting any such request when any urgent office action is pending. OUI and MRC will agree to such take over upon the Licensee's request where the Licensee can demonstrate to OUI and MRC:

4.9.1 it has successfully established internal patent management expertise, and/or engaged with external patent counsel;

4.9.2 that, during the [***] period immediately preceding the date of Licensee's request to take over the prosecution and maintenance of the Applications, there have been no instances of any failure by the Licensee to cooperate reasonably with OUI and MRC, nor any instances of any failure of the Licensee to respond in a timely fashion to any official communication relating to the prosecution and maintenance of the Applications; and

4.9.3 it has sufficient financial resources to manage the Applications which condition shall be deemed met where the Licensee has of investment monies totaling [***] or more.

4.10 On an Application-by-Application and country-by-country basis, on the date on which OUI and MRC have agreed to hand over the prosecution and maintenance of the relevant Application to the Licensee (in each case the "**Hand Over Date**"), the Licensee will, through counsel of its own choosing at its own cost, in accordance with the provisions of clauses 4.12 to 4.16 below, prosecute (including dealing with any interferences, oppositions, appeals, reissue proceedings and re-examinations), use all reasonable endeavours to maintain, and renew such Application throughout the duration of this agreement in the relevant country being a Major Territories or such other territories as Licensee may choose.

4.11 OUI and MRC shall (and OUI undertakes to procure that the University shall) if requested to do so by Licensee at Licensee's cost immediately enter into confirmatory licence agreements (as appropriate) for the purposes of recording any licences granted under this Agreement with such patent offices as Licensee considers appropriate.

4.12 Following the Handover Date, Licensee shall provide OUI and MRC with:

(a) prior notice of any intention to abandon or significantly narrow the scope of any of the claims included in the Applications prior to filing any application for abandonment or narrowing such claims, in sufficient time to allow review and comment by OUI and MRC (and Licensee will give all reasonable consideration to the views of OUI and MRC thereon) and in any event at least [***] before such application is made;

(b) drafts of any new patent applications that embody any of the Licensed Technology originating from OUI, the University and/or MRC, prior to filing such applications, in sufficient time to allow review and comment by OUI and MRC (and Licensee will give all reasonable consideration to the views of OUI and MRC thereon); provided, however, Licensee shall not be obliged to delay the filing of any such patent application where such a delay, in Licensee's reasonable opinion, could have an adverse commercial effect on Licensee; and

(c) copies of all correspondence with patent offices pertaining to prosecution of the Applications;

(d) copies of all opposition and/or interference proceedings filed against any Application in any Major Territory and drafts of all substantive responses to be filed by the Licensee in such opposition or interference proceedings or appeals therefrom; and

(e) an opportunity to comment on any proposed responses, voluntary amendments and submissions of any kind to be made to any and all such patent offices in Major Territories; provided, however, the Licensee shall not be obliged to delay the filing of any such response, voluntary amendment or submission if to do so would prejudice its position in relation to such opposition or interference proceedings.

4.13 Following the Handover Date, Licensee shall procure that its patent agent(s) provide OUI and MRC with an annual update on the status of the Applications in each territory. OUI and MRC will grant a power of attorney to Licensee's patent agent(s) to the extent required to act on OUI's and/or MRC's behalf for filing, prosecuting, maintaining and renewing the Applications, as requested by Licensee or its patent agent(s).

4.14 Following the Handover Date, Licensee shall inform OUI and MRC not less than [***] in advance of any national phase filing deadline of the territories within the scope of the PCT that it intends to be covered in the national phase of any of the Applications.

4.15 Following the Handover Date, unless as permitted by clause 4.16, the Licensee or OUI (in the case where the Licensee has transferred the prosecution or maintenance of the Applications to OUI in accordance with clause 4.16 below) will not abandon or transfer the prosecution or maintenance of any Applications without the prior written consent of MRC, such consent not to be unreasonably withheld or delayed.

4.16 Following the Handover Date, in the event that Licensee elects to discontinue the prosecution and/or maintenance of any of the Applications in one or more territories, or to abandon or significantly narrow the scope of any of the claims included in the Applications, Licensee shall notify OUI of such election in writing (such notice to be given where reasonably possible no less than [***] prior to such patent rights lapsing). OUI shall have the right, but not the obligation to take over prosecution and maintenance of that Application in the joint names of the Licensors in the relevant territories. OUI shall have [***] from the date of such election in writing to notify the Licensee that it wishes to take over prosecution and maintenance. If OUI elects not to prosecute or maintain or to abandon any or all of the Applications in any or all of the Major Territories for which it has assumed responsibility pursuant to this clause, OUI shall notify MRC of such election in writing (such notice to be given where reasonably possible no less than [***] prior to such patent rights lapsing). MRC shall have [***] to inform the OUI or Licensee (as applicable) that it wishes to assume responsibility for managing and maintaining the Applications in question in the territories in question and should MRC wish to exploit such Applications on behalf of the parties in such territories, the Licensors shall enter into a co-ownership agreement on reasonable terms to be agreed between the Licensors. Immediately following execution of such co-ownership agreement, such Applications in the relevant territories will no longer be governed by this agreement. For the purpose of this agreement, "**Major Territories**" means [***]. For the avoidance of doubt, the provisions of this clause 4.16 shall not apply in the event of any discontinuation of the prosecution or maintenance of any the Application pursuant to clause 4.8.

5. INFRINGEMENT

5.1 Each party will notify the other parties in writing of any misappropriation or infringement (or alleged misappropriation or infringement) of any rights in the Licensed Technology of which the party becomes aware.

5.2 The Licensee has the first right (but is not obliged) to take Legal Action at its own cost in relation to any misappropriation or infringement of any rights included in the Licensed Technology (excluding the Licensed Know-How). The Licensee must discuss any proposed Legal Action with each of the Licensors prior to the Legal Action being commenced, and take due account of the legitimate interests of each of the Licensors in the Legal Action it takes provided always that the Licensee may act without further consultation if rights in the Licensed Technology would otherwise be prejudiced or lost.

5.3 If the Licensee takes Legal Action under clause 5.2, the Licensee will:

5.3.1 indemnify and hold each of the Licensors and the University harmless against all costs (including lawyers' and patent agents' fees and expenses), claims, demands and liabilities arising out of or consequent upon a Legal Action and will settle any invoice received from OUI and/or MRC in respect of such costs, claims, demands and liabilities within [***] of receipt);

5.3.2 treat any account of profits or damages (including, without limitation, punitive damages) awarded in or paid to the Licensee under any settlement of the Legal Action for any misappropriation or infringement of any rights included in the Licensed Technology as Net Sales exceeding the Royalty Threshold for the purposes of clause 7, having first for these purposes deducted from the award or settlement an amount equal to any legal costs incurred by the Licensee in the Legal Action (including any costs incurred by it under clause 5.3.1 above) that are not covered by an award of legal costs; and

5.3.3 keep each of the Licensors regularly informed of the progress of the Legal Action, including, without limitation, any claims affecting the scope of the Licensed Technology; provided that the obligations on the Licensee to indemnify in clause 5.3.1 and pay royalties on any account of profits or damages in clause 5.3.2 will not apply to the extent that the Licensors or either of them or the University is held by a court of competent jurisdiction with no further right of appeal to have licensed rights in the Licensed Technology in breach of this agreement to the third party against whom the Licensee has brought the Legal Action and upon which the third party has relied to deny infringement in defence of the Legal Action.

5.4 Subject to the Licensee's rights under clause 5.2, OUI shall have the right, but not the obligation, to take any Legal Action at its own cost in relation to any misappropriation or infringement of any rights included in Licensed Technology (excluding the Licensed Know-How) where:

5.4.1 the Licensee has notified each of the Licensors in writing that it does not intend to take any Legal Action in relation to any misappropriation or infringement of any such rights; or

5.4.2 if having received professional advice with regard to any Legal Action within [***] of the notification under clause 5.1, and consulted with the other parties, the Licensee does not take reasonable steps to act upon an agreed process for dealing with such misappropriation or infringement (which may include, for the avoidance of doubt, seeking a second opinion in respect of such professional advice) within any timescale agreed between the parties and in any event within [***] of notification under clause 5.1 (in each case requiring agreement in the foregoing, the parties will act reasonably) provided it shall not settle any action without first consulting with the other parties and taking account of their reasonable observations and requests.

5.5 Subject to the Licensee's rights under clause 5.2 and OUI's rights under clause 5.4, MRC shall have the right, but not the obligation, to take any Legal Action at its own cost in relation to any misappropriation or infringement of any rights included in the Licensed Technology (excluding the Licensed Know-How) where:

5.5.1 each of the Licensee and OUI has notified MRC in writing that it does not intend to take any Legal Action in relation to any misappropriation or infringement of any such rights; or

5.5.2 if having received professional advice with regard to any Legal Action within [***] of the notification under clause 5.1, and consulted with the other parties, neither the Licensee nor OUI takes reasonable steps to act upon agreed process for dealing with such misappropriation or infringement (which may include, for the avoidance of doubt, seeking a second opinion in respect of such professional advice) within any timescale agreed between the parties and in any event within [***] of notification under clause 5.1 (in each case requiring agreement in the foregoing, the parties will act reasonably), provided it shall not settle any action without first consulting with the other parties and taking account of their reasonable observations and requests.

5.6 If a Licensor takes Legal Action under clause 5.4 or 5.5, that Licensor will:

5.6.1 indemnify and hold the other Licensor and the University harmless against all costs (including lawyers' and patent agents' fees and expenses), claims, demands and liabilities arising out of or consequent upon a Legal Action and will settle any invoice received from such parties in respect of such costs, claims, demands and liabilities within [***] of receipt;

5.6.2 retain in full any profits or damages (including, without limitation, punitive damages) awarded in or paid under any settlement of the Legal Action for any misappropriation or infringement of any rights included in the Licensed Technology; and

5.6.3 keep the other parties regularly informed of the progress of the Legal Action, including, without limitation, any claims affecting the scope of the Licensed Technology (excluding the Licensed Know-How).

5.7 Subject to clauses 5.2,5.6,5.4 and 5.5, if a party (the "**Primary Party**") takes Legal Action, the other parties (the "**Other Parties**") will provide such reasonable assistance as requested by the Primary Party in relation to such Legal Action at the Primary Party's cost, and where it is a legal requirement for the patent owner to be a plaintiff in the Legal Action, the Licensors shall agree to be joined in any Legal Action, provided that the Primary Party indemnifies the Licensors or the other Licensor under clauses 5.3.1 or 5.6.1 for the costs of any legal representation in the Legal Action and provided that such Other Parties shall have the right to be separately represented by their own counsel.

6. CONFIDENTIALITY

6.1 Subject to clauses 6.2, 6.3, 6.4 and 6.6, each party (being a receiving or disclosing party as the case may be) will keep confidential the Confidential Information of the other parties and will not disclose or supply the Confidential Information to any third party or use it for any purpose, except in accordance with the terms and objectives of this agreement.

6.2 The Licensee may disclose to sub-licensees of the Licensed Technology such of the Confidential Information as is necessary for the exercise of any rights sub-licensed, provided that the Licensee shall ensure that such sub-licensees accept a continuing obligation of confidentiality on substantially the same terms as this clause and giving third party enforcement rights to each of the Licensors before the Licensee makes any disclosure of the Confidential Information. The Licensee may also disclose the Licensed Technology to the extent reasonably required in connection with the conduct of its business (including carrying out the Development Plan) including to potential contract research organisations, potential clinical trial sites, potential investors, other business associates and professional advisors provided that such persons have agreed in writing to be bound by non-use and non-disclosure obligations that are no less strict than those set forth in this agreement or are subject to professional codes of conduct that prevent disclosure of client confidential information and the Licensee will take action in respect of any breach of such obligations.

6.3 Confidential Information may be exchanged freely between OUI and the University and communications between those two parties shall not be regarded as disclosures, dissemination or publication for the purpose of this agreement.

6.4 Confidential Information may be exchanged freely between MRC and its technology transfer provider and communications between those parties shall not be regarded as disclosures, dissemination or publication for the purpose of this agreement.

6.5 Confidential Information may be exchanged freely between the Licensee and its Affiliates and communications between those parties shall not be regarded as disclosures, dissemination or publication for the purpose of this agreement.

6.6 Each of the Licensors may also disclose the terms of this agreement, progress reports and royalty reports and payments made by the Licensee to any third parties that have rights to a revenue share for providing funding in the development of the Licensed Technology provided that such persons have agreed in writing to be bound by non-use and non-disclosure obligations or are subject to professional codes of conduct that prevent disclosure of client confidential information and the Licensors will take action in respect of any breach of such obligations.

6.7 Clause 6.1 will not apply to any Confidential Information which:

6.7.1 is known to the receiving party before disclosure, and not subject to any obligation of confidentiality owed to the disclosing party;

6.7.2 is or becomes publicly known without the fault of the receiving party;

6.7.3 is obtained by the receiving party from a third party in circumstances where the receiving party has no reason to believe that it is subject to an obligation of confidentiality owed to the disclosing party;

6.7.4 the receiving party can establish by reasonable proof was substantially and independently developed by officers or employees of the receiving party who had no knowledge of the disclosing party's Confidential Information; or

6.7.5 is approved for release in writing by an authorised representative of the disclosing party.

6.8 Nothing in this agreement will prevent a party from disclosing Confidential Information where it is required to do so by law or regulation, stock exchange rules or by order of a court or competent authority, provided that, in the case of a disclosure under the Freedom of Information Act 2000 ("**FOIA**"), none of the exemptions in the FOIA applies to the relevant Confidential Information and provided always that, to the extent permitted by law or regulation, the receiving party will give such notice as is reasonably practicable in the circumstances to the disclosing party about the timing and content of such a disclosure.

6.9 If a party to this agreement receives a request under the FOIA to disclose any information that, under this agreement, is another party's Confidential Information, it will notify and consult with such other party. Such other party will respond within [***] after receiving notice if that notice requests such other party to provide information to assist in determining whether or not an exemption under the FOIA applies to the information requested under the FOIA.

7. ROYALTIES AND OTHER PAYMENTS

7.1 OUI will invoice the Licensee for the Restatement Completion Fee and the Licensed Data Fee shortly after the Effective Date and the Licensee must settle the invoice within [***] of receipt.

7.2 The Licensee will pay to OUI a royalty equal to the applicable Royalty Rate on all Net Sales of Licensed Products that exceed the Royalty Threshold. The Licensee will notify OUI and MRC as soon as possible after it achieves the Royalty Threshold.

7.3 Following expiration or revocation of the last Valid Claim covering a Licensed Product in a country in which the Licensed Product is Marketed and where there is being Marketed and sold by a third party in the normal course of business a product that, directly or indirectly, competes with the Licensed Product, the Step Down Rate (as defined below) shall apply on a country-by-country basis to the applicable Royalty Rate of such Licensed Products. For the purposes of this clause 7.3, the "**Step Down Rate**" shall be the percentage decrease of (a) the average revenue received in respect of sales of Licensed Product in the [***] prior to the introduction of a competitive product compared against (b) the average revenue received in respect of sales of Licensed Product for the [***] following the introduction of a competitive product.

7.4 The Licensee will pay to OUI the Exit Fee following the occurrence of an Exit Event and the obligation to do so will survive the termination or expiry of this agreement provided that the Licensee may buy out the right for OUI to receive the Exit Fee at any time by paying OUI the Exit Buy Out Amount. Where the Exit Valuation includes contingent consideration, then the proportion of the Exit Fee attributable to such contingent consideration shall be payable at the time such contingent consideration is paid. The Licensee will notify OUI and MRC as soon as possible after it signs head of terms for any Exit Event, and in any event at least [***] prior to an Exit Event and will pay to OUI the portion of the Exit Fee that is not contingent consideration within [***] of the date on which the Exit Event is completed. The Licensee will notify OUI and MRC as soon as possible after the occurrence of the event which triggers the payment of any contingent consideration in relation to an Exit Event and will pay OUI the portion of the Exit Fee in relation to such event within [***] of the date on which the occurrence of the event which triggers the payment of that contingent consideration takes place.

7.5 The Licensee will pay to OUI a royalty equal to the Fee Income Royalty Rate on all up-front, milestone and other one-off payments (other than payments made solely in relation to research provided by the Licensee) received by the Licensee under or in connection with all sub-licences and other contracts granted by the Licensee with respect to the Licensed Technology excluding royalties paid to the Licensee by a sub-licensee calculated by reference to net sales of Licensed Product by said sub-licensee. The Licensee will pay each such royalty within [***] after its receipt of the payment to which the royalty relates.

7.6 The Licensee will pay to OUI a royalty equal to the Sublicensing Royalty Rate multiplied by any royalties paid to the Licensee by a sub-licensee (where such royalties paid to the Licensee by a sub-licensee were calculated by reference to net sales of Licensed Products by said sub-licensee), where the Fee Income Royalty Rate is not payable under clause 7.5.

7.7 The Restatement Completion Fee, each Milestone Fee and the Exit Fee are non-refundable and will not be considered as an advance payment on royalties payable under clause 7.2.

7.8 The Licensee or any of its sub-licensees may supply a commercially reasonable quantity of Licensed Products for promotional sampling and/or for testing and trial purposes with potential end users. Except as set out in this clause, the Licensee must not accept or solicit any non-monetary consideration when Marketing or otherwise transferring Licensed Products or when issuing sub-licences of the Licensed Technology without the prior written consent of OUI and MRC.

7.9 The Licensee (in respect of payments to OUI) and OUI (in respect of payments to MRC) will make all payments in pounds sterling or any currency replacing pounds sterling in its entirety unless the parties agree (acting reasonably) otherwise.

7.10 For the purposes of calculating any amount payable by the Licensee to OUI or by OUI to MRC in a currency other than pounds sterling (or replacement currency), the Licensee (in respect of payments to OUI) and OUI (in respect of payments to MRC) shall apply an exchange rate equivalent to the average of the applicable closing mid rates quoted by the Financial Times as published in London on:

7.10.1 the first Business Day of each month during the Quarter just closed; or

7.10.2 for payments under clauses 7.5 and 7.6 only, the first Business Day of the month in which the payment was received by the Licensee.

7.11 Where the Licensee (in respect of payments to OU I) or OU I (in respect of payments to MRC) has to withhold tax by law, the Licensee or OUI (as applicable) will deduct the tax, pay it to the relevant taxing authority, and supply OUI or MRC (as applicable) with a Certificate of Tax Deduction at the time of payment to OUI or to MRC (as applicable).

7.12 In the event that full payment of any amount due from the Licensee to OUI or from OUI to MRC under this agreement is not made by any of the dates stipulated, the Licensee (in respect of payments to OUI) or OUI (in respect of payments to MRC) shall be liable to pay interest on the amount unpaid at the rate of [***] per cent ([***]%) per annum over the base rate for the time being of Barclays Bank plc. Such interest shall accrue on a daily basis from the date when payment was due until the date of actual payment of the overdue amount, whether before or after judgment, and shall be compounded quarterly.

7.13 If the Licensed Product is of a description covered by the Medicines Access Policy, the Licensee shall adhere to the requirements of the Medicines Access Policy.

7.14 If the Licensee has to pay a third party (other than an Affiliate), for the right to make, have made, use, import, export or Market a Licensed Product, under a licence of Intellectual Property Rights without which the Licensed Technology cannot be lawfully exploited, then the Licensee will be entitled to deduct from all payments due to OUI at the Royalty Rate on Net Sales of Licensed Products in respect of the products concerned an amount equal to [***] per cent ([***]%) of the sums actually paid to that third party, up to a maximum amount of [***] percent ([***]%) of the royalties due to OUI.

7.15 At such time as a Licensed Product that is covered by a Valid Claim of the DM1 Application is first marketed for the treatment of any trinucleotide repeat disorder, including but not limited to myotonic dystrophy type 1, the Licensee undertakes to negotiate in good faith with the Licensors with a view to agreeing terms consistent with clause 9.1 under which broad international patient accessibility for such Licensed Products can be assured such that the conditions of commercialisation of the Licensed Products do not constitute a material obstacle to the ability of patients suffering from any trinucleotide repeat disorders, including but not limited to myotonic dystrophy type 1 to have access to such Licensed Product, taking into account notably any existing and applicable regulatory and reimbursement systems and any other applicable legal and regulatory regimes on a relevant national, international or regional level, and as the case may be, such as Patient Assistance Program (PAP) (or global equivalents of that program), Compassionate Use Program, or the grant of a conditional (EU) or accelerated (US) approval for the eligible patients.

7.16 Where a Licensed Product is sold as part of a combination product or co-packaged product (in combination with, or co-packaged with, a product other than another Licensed Product), the Net Sales from the combination product or co-packaged product, for the purposes of determining royalty payments, shall be determined by multiplying the Net Sales of the combination product or co-packaged product, during the applicable royalty reporting period, by the fraction:

A / (A + B),

where A is the average sale price of the Licensed Product when sold separately in finished form, or if not sold separately, the market price of the Licensed Product if it were sold separately and B is the average sale price of the other product(s) included in the combination product or co-packaged product when sold separately in finished form, or if not sold separately, the aggregate market price of the other product(s) if it were sold separately in each case during the applicable royalty reporting period or, if sales of both the Licensed Product and the other product(s) did not occur in such period, then in the most recent royalty reporting period in which sales of both occurred. In the event that such average sale price cannot be determined for the Licensed Product and any other product(s) included in the combination product, then the matter shall be referred to an independent expert for determination.

7.17 Except as expressly set out in this agreement the Licensee shall not be required to make any payments directly to MRC in connection with this agreement. The parties acknowledge and agree that the payments set out in this clause 7 to OUI are made by the Licensee for the benefit of both Licensors and OUI shall pay to MRC [***] percent ([***]%) of Net Receipts, except:

7.17.1 in relation to the Restatement Completion Fee of [***] payable pursuant to clause 7.1 of this agreement or any Milestone Fee pursuant to clause 7.18, where OUI shall pay MRC [***] percent ([***]%) of Net Receipts; and

7.17.2 any Net Receipts received by OUI in relation to Licensed Products which are covered by a Valid Claim of the DM1 Application and marketed for the treatment of any trinucleotide repeat disorders, including but not limited to myotonic dystrophy type 1, where OUI shall pay to MRC [***] percent ([***]%) of Net Receipts.

7.18 The Licensee will notify OUI and MRC as soon as possible after it or any sub-licensee achieves any Milestone, and pay to OUI the Milestone Fee in respect of each Milestone within [***] of the date on which each Milestone is achieved by the Licensee or a sub-licensee. The Milestone Fee will be indexed to the RPI and each Milestone will be increased (or decreased, if appropriate) by the percentage change in the RPI between the date of this agreement and the date on which the Milestone to which it relates is achieved. Each Milestone Fee shall be payable once only in respect of the first achievement of the relevant Milestone even if the Milestone occurs with respect to more than one Licensed Product or in more than one country.

8. COMMERCIALLY REASONABLE ENDEAVOURS

8.1 The Licensee must use Commercially Reasonable Endeavours to develop, exploit and Market the Licensed Technology to maximise the financial return for the Licensee and the Licensors

8.2 The Licensee must use Commercially Reasonable Endeavours to develop, exploit and Market the Licensed Technology in accordance with the Development Plan

8.3 At least [***] prior to the commencement of each subsequent Licence Year, the Licensee will provide each of the Licensors with a revised development plan together with any background supporting information necessary for each of the Licensors to evaluate the draft plan; such revised development plan to be consistent with an anticipated return to each of the Licensors under clause 7. The Licensee will consult with each of the Licensors over the draft plan and will consider in good faith any comments that each of the Licensors may put forward. Licensee shall submit the revised development plan to the Licensors for approval and the Licensors shall not unreasonably withhold such approval. If no objections are received within [***] of submission, the revised development plan shall be deemed approved. Any dispute between the parties relating to the Licensors' approval of the revised development plan shall be referred to an appropriately qualified independent expert applying the procedure set out in clause 9.4 below. Pending the outcome of any such referral to the Expert, the Licensee shall be entitled to treat the revised development plan as having been accepted. For the avoidance of doubt, any revised development plan that is incorporated in the documentation relating to the Licensee's Series A (or any later) funding round shall be deemed approved by the Licensors. Following approval of the revised development plan by the Licensors, the revised development plan shall become the Development Plan.

8.4 The Licensors confirm that as of the Effective Date, the Licensee has complied to Licensors' satisfaction with its obligations under clause 9 of the Original Licence Agreement and, to Licensors' knowledge, is otherwise not in breach of the terms and conditions of the Original Licence Agreement.

9. ROYALTY REPORTS AND AUDIT

9.1 The Licensee will provide each of the Licensors with a report on or before each anniversary of this agreement detailing the activities and achievements in its development of the Licensed Technology in order to facilitate its commercial exploitation, and in the development of potential Licensed Products.

9.2 The Licensee will provide OUI with a Royalty Report within [***] after the close of each Licence Year for each Licensed Product Marketed by the Licensee. OUI shall provide such Royalty Report promptly to MRC following receipt. Each Royalty Report will:

9.2.1 set out the Net Sales of each Licensed Product Marketed by the Licensee, including the total gross selling price of each Licensed Product Marketed by the Licensee and the quantity or total number of units of each Licensed Product Marketed by the Licensee;

9.2.2 set out details of deductions made in the calculation of Net Sales from the invoiced price of each Licensed Product in the form in which it is Marketed by the Licensee;

9.2.3 set out details of the quantity of Licensed Products used for promotional sampling by the Licensee;

9.2.4 provide a calculation of the royalties due from the Licensee to be paid at the Royalty Rate;

9.2.5 set out details of payments received by the Licensee to which the Fee Income Royalty Rate applies and provide a calculation of the royalties due from the Licensee to be paid at the Fee Income Royalty Rate;

9.2.6 set out details of payments received by the Licensee to which the Sublicensing Royalty Rate applies and provide a calculation of the royalties due from the Licensee to be paid at the Sub-Licensing Royalty Rate;

9.2.7 set out the Net Sales of each Licensed Product included as part combination product or co-packaged product Marketed by the Licensee with a detailed calculation of the Net Sales and Royalty Rate due from the Licensee in respect of such products;

9.2.8 set out any deduction consequent to a reduction of royalties under clause 7.16 with a detailed calculation of such deduction made;

9.2.9 set out the steps taken during the Licence Year to promote and Market Licensed Products; and

9.2.10 set out details of Milestones achieved by the Licensee or any sub-licensees.

The Licensee must pay OUI the royalties due in respect of the Licence Year just closed at the same time as the Licensee delivers the Royalty Report, provided that, if requested, OUI will issue an invoice for the relevant payment prior to payment. Any auditor reviewing the Royalty Report shall be required to comply with the confidentiality provisions set out in this agreement.

9.3 Within [***] after OUI receives Net Receipts from the Licensee each year, OUI will supply MRC with a statement of all Net Receipts during the preceding year, accompanied by a calculation of the percentage due to MRC which identifies the costs deducted, in addition to the Royalty Report provided to MRC by OUI under clause 9.2. The statement will show the Net Receipts in pounds sterling. MRC will then issue OUI with an invoice for the amounts due to MRC, and OUI will settle that invoice within [***] after its receipt.

9.4 In the event of a dispute regarding the calculation of Net Sales, Net Receipts or other payments, including the Licensee's and/or OUI's interpretation of International Financial Reporting Standards, whether following an audit pursuant to clause 9.7 or otherwise, the dispute shall be referred to an appropriately qualified independent expert (the "**Expert**") jointly appointed by the parties in dispute (acting reasonably) who shall settle the dispute as follows. If the Parties are unable to agree upon the identity of the Expert within that timescale, the Expert shall be appointed by the President (for the time being) of the Licensing Executives Society Britain and Ireland upon written request of the Parties. The Expert shall ask the relevant party for written submissions within [***] of its appointment and shall be given access to the parties' records and correspondence applicable to the dispute. The Expert shall have a period of [***] after this time to decide the dispute. The Expert will be appointed as an expert and not as an arbitrator. The parties in dispute will each have the right to make representations to the Expert. The Expert's decision shall be binding on the parties without right of appeal except in the case of fraud, bias or manifest error and the costs of the Expert shall be borne as the Expert determines in his/her decision.

9.5 The Licensee will deliver to each of the Licensors a periodic report at the close of each Licence Year providing sufficient data (in outline form) to give a reasonable indication or estimate of the actual or expected market share of the Licensee and its sub-licensees and will notify each of the Licensors in the event that its market share does or is expected to breach the limits set out in the 2014 Commission Regulation 316/2014 Technology Transfer Block Exemption Regulation and Guidelines in Commission Communication 2014/c 89/03 and any successor regulation. This obligation is not intended to place a significant additional financial burden on the Licensee.

9.6 If a Licensed Product Marketed by the Licensee is re-Marketed by an Affiliate or an entity over which the Licensee exercises Control, the royalty on each such Licensed Product will be calculated on the highest of the prices at which it is Marketed or re-Marketed.

9.7 The Licensee must keep complete and proper records and accurate accounts of all Licensed Products used and Marketed by the Licensee and, shall procure that any sub-licensee shall, in each Licence Year for at least [***]. OUI or MRC may, through an independent certified accountant appointed by OUI or MRC (the "**Auditor**"), audit all such accounts on at least [***] written notice no more than once each Licence Year for the purpose of determining the accuracy of the Royalty Reports and payments. The Auditor shall be:

9.7.1 permitted by the Licensee to enter the Licensee's principal place of business upon reasonable notice to inspect such records and accounts;

9.7.2 entitled to take copies of or extracts from such records and accounts as are strictly necessary for the Auditor to properly conduct the audit;

9.7.3 given all other information of the Licensee as may be necessary or appropriate to enable the amount of payments payable to be ascertained including the provision of relevant records; and

9.7.4 shall be allowed access to and permitted, to the extent reasonably required, to conduct interviews of any management staff of the Licensee in order to verify the accuracy of the records and accounts and the accuracy of any statements provided by OUI and MRC (through OUI) under clause 9.7.3.

If on any such audit a shortfall in payments of greater than [***] per cent ([***]%) is discovered by the Auditor in respect of the audit period, the party in default shall pay the auditing party the audit costs. The party in default shall pay such shortfall.

9.8 OUI must keep complete and proper records and accurate accounts of all Net Receipts and Gross Receipts for at least [***]. MRC may, through an independent certified accountant appointed by MRC (the "**MRC Auditor**"), audit all such accounts on at least [***] written notice no more than once each Licence Year for the purpose of determining the accuracy of the Royalty Reports, Net Receipts statements and payments. The MRC Auditor shall be:

9.8.1 permitted by OUI to enter the OUI's principal place of business upon reasonable notice to inspect such records and accounts;

9.8.2 entitled to take copies of or extracts from such records and accounts as are strictly necessary for the MRC Auditor to properly conduct the audit;

9.8.3 given all other information of OUI as may be necessary or appropriate to enable the amount of Net Receipts payable to be ascertained including the provision of relevant records; and

9.8.4 shall be allowed access to and permitted, to the extent reasonably required, to conduct interviews of any management staff of OUI in order to verify the accuracy of the records and accounts and the accuracy of any statements provided by OUI under clause 9.7.3.

If on any such audit a shortfall in payments of greater than [***] per cent ([***]%) is discovered by the MRC Auditor in respect of the audit period, OUI shall pay the auditing party the audit costs. OUI shall pay such shortfall.

9.9 The Licensee will ensure that each sub-licence agreement has audit obligations on the sub-licensee and provides the Licensee's auditor with the same rights of access set out in clause 9.7 and each of the Licensors shall have the right to see copies of any audit report undertaken by the Licensee's auditor.

9.10 No party will pay revenue to individual employees of another party. Each party is responsible for rewarding its employees in accordance with its own revenue-sharing policy (if any).

10. DURATION AND TERMINATION

10.1 This agreement will take effect on the Effective Date. Subject to the possibility of earlier termination under the following provisions of this clause 10, and subject to the possibility of an extension to the term by written notice served by the Licensee on OUI prior to the termination or expiry date specifying an extension period (which notice may be served any number of successive times), or by mutual agreement, this agreement shall continue in force for until the later of:

10.1.1 the date on which all the patents and patent applications falling within the definition of the Applications have been abandoned or allowed to lapse or expired or been rejected or revoked without a right of further appeal in the relevant country or territory; and

10.1.2 twenty (20) years from the date of the Original Licence Agreement.

10.2 If the Licensee commits a material breach of this agreement, and the breach is not remediable or (being remediable) is not remedied within the period allowed by notice given by the Licensors in writing calling on the Licensee to effect such remedy (such period being not less than [***]), the Licensors acting jointly may terminate this agreement by written notice having immediate effect.

10.3 If OUI or MRC commits a material breach of this agreement, and the breach is not remediable or (being remediable) is not remedied within the period allowed by notice given by the Licensee in writing calling on OUI or MRC (as applicable) to effect such remedy (such period being not less than [***]), then the Licensee may terminate this agreement by written notice having immediate effect

10.4 The Licensee may terminate this agreement for any reason at any time provided it gives each of the Licensors [***] written notice to terminate expiring after the third anniversary of this agreement. Any such termination shall not absolve the Licensee of its obligation to accrue and pay royalties and other payments under the provisions of clause 7 in respect of the period prior to termination.

10.5 The Licensors acting jointly may terminate this agreement:

10.5.1 immediately, if the Licensee has a petition presented for its winding-up, (but excluding for this purpose any winding up petition presented against the Licensee in relation to any debt disputed by the Licensee), or passes a resolution for voluntary winding-up otherwise than for the purposes of a bona fide amalgamation or reconstruction, or compounds with its creditors, or has a receiver, administrator or administrative receiver appointed over all or any part of its assets, or enters into any arrangements with creditors, or takes or suffers any similar action in consequence of debts;

10.5.2 on [***] written notice if:

(a) the Licensee opposes or challenges the validity of the Applications provided always that nothing in this clause 10.5.2 will prevent the Licensee from seeking to determine whether a product of the Licensee is a Licensed Product for the purposes of this agreement and the seeking of such determination shall not trigger any termination rights herein;

(b) the Licensee is in breach of clause 8 and the Licensee does not take any remedial action reasonably requested by MRC and/or OUI (as appropriate) and notified to the Licensee by written notice pursuant to clause 10.2 within a reasonable time; or

(c) if the Licensee fails to pay or takes steps to avoid or remove its obligation to pay the Exit Fee other than by paying the Exit Buy Out Amount.

10.6 On termination or expiration of this agreement, for whatever reason:

10.6.1 the Licensee shall pay to OUI all outstanding royalties and other sums due under this agreement;

10.6.2 OUI shall pay to MRC any share of Net Receipts and any other payments due under this agreement;

10.6.3 the Licensee shall provide each of the Licensors with details of the stocks of Licensed Products held at the point of termination;

10.6.4 the rights granted under this agreement to the Licensee in respect of the Licensed Technology shall immediately cease

10.6.5 the Licensee must cease to use or exploit the Licensed Technology, provided that this restriction does not apply to Licensed Know-How or Confidential Information which has entered the public domain through no fault of the Licensee, and that the Licensee may continue to use the Licensed Technology in order to meet any specific existing binding commitments already made by the Licensee at the date of termination and requiring delivery of Licensed Products within the next [***];

10.6.6 the Licensee must at the option of the Licensors and at the Licensee's cost, destroy all other Licensed Products or send all other Licensed Products or copies of the Licensed Technology to a location nominated by the Licensors to the Licensee in writing; and

10.6.7 where a Licensed Product is covered by a Valid Claim of the DM1 Application and has been developed and Marketed for the treatment of any trinucleotide repeat disorders, including but not limited to myotonic dystrophy type 1 the Licensee will in addition grant to the Licensors a licence to the DM1 Application in the field of treatments for trinucleotide repeat disorders including myotonic dystrophy type 1 ("**DM1 Field**") on market terms and conditions negotiated in a bona fide manner to any Intellectual Property Rights developed by the Licensee during the development of the Licensed Products that is required for the Licensors their existing and future licensees to continue to exploit the development of such Licensed Products in the DM1 Field.

10.7 Where a party terminates the agreement for any reason under this agreement:

10.7.1 OUI and MRC shall share all costs related to the filing, prosecuting, maintaining or enforcing of the Applications in equal portions. Payment of such costs related to the Applications shall continue for the life of each Application contained in the Applications.

10.7.2 should a Licensor decline to pay for its share of costs and charges associated with the filing, prosecuting, maintaining or enforcing an Application, it shall so notify the other Licensor in writing. The declining Licensor shall in such letter offer to grant an exclusive, worldwide, royalty-free, fully paid-up, perpetual, sublicensable licence under such Applications (including the exclusive right to prosecute and enforce such Applications) to the non-declining Licensor, and if such offer is accepted, execute an agreement granting such a licence on terms to be negotiated in good faith.

10.7.3 MRC and OUI shall, within [***] of termination, enter into a subsequent agreement in respect of the filing, prosecution, maintenance, defence and enforcement of the Applications and the exploitation of the Licensed Technology.

10.8 Termination of this agreement, whether for breach of this agreement or otherwise, shall not absolve the Licensee and/or OUI of its obligation to accrue and pay royalties under the provisions of clause 7 for the duration of any notice period and in respect of any dealings in Licensed Products permitted by clause 10.6 or to reimburse OUI for all costs, filing fees, lawyers' and patent agents' fees, expenses and outgoings of whatever nature incurred by OUI in the prosecution, maintenance and renewal of the Applications duration of any notice period in accordance with clause 4.2.

10.9 Clauses 1, 3.1 through to 3.4, 10.6, 10.8, 10.9, 10.10, 11, 12.4 and 12.16 will survive the termination or expiration of this agreement, for whatever reason, indefinitely.

10.10 Clauses 6 and 9.7 will survive the termination or expiration of this agreement, for whatever reason, for a period of [***].

11. LIABILITY

11.1 OUI warrants to the Licensee that so far as OUI is aware (not having made any specific enquiries) as at the Effective Date that:

11.1.1 it has full corporate power and authority to enter into this agreement;

11.1.2 with the exception of the licence back to the University and MRC in relation to the Licenced Technology and the French Institutions under the Co-ownership Agreement in relation to DM1 Application in both cases only for Non-Commercial Use, the University has assigned all of its right, title and interest in the Applications to OUI;

11.1.3 OUI has not created any licence (other than which has already been granted by OUI to the University for Non-Commercial Use), charge or mortgage on over the Applications;

11.1.4 each person or company with a proprietary interest, whether through ownership or as licensee or sub-licensee, in the Licensed Technology is listed in Schedule 7; and

11.1.5 there is no actual or threated infringement of the Licensed Technology by any third party.

11.2 MRC warrants to the Licensee that so far as MRC is aware (not having made any specific enquiries) as at the Effective Date that:

11.2.1 it has full corporate power and authority to enter into this agreement;

11.2.2 MRC has not created any licence, charge or mortgage on over the Applications (other than which has already been granted by MRC for Non-Commercial Use), and

11.2.3 there is no actual or threated infringement of the Licensed Technology by any third party.

11.3 To the fullest extent permissible by law, other than as set out in this clause 11.1, OUI and MRC do not make or give any warranties, representations or conditions of any kind and all warranties, conditions, terms, undertakings and obligations on the part of OUI and MRC implied by statute, common law, custom, trade usage, course of dealing or in any other way are, to the extent permitted by law, excluded. In particular OUI and MRC do not make any warranties of any kind with respect to:

11.3.1 the quality of the Licensed Technology;

11.3.2 the suitability of the Licensed Technology for any particular use;

11.3.3 whether use of the Licensed Technology will infringe third-party rights; or

11.3.4 whether the Applications will be granted or the validity of any patent that issues in response to those Applications.

11.4 Except in relation to any claims, damages and liabilities arising directly from the fraud, recklessness or wilful misconduct of OUI, MRC or the University, the Licensee agrees to indemnify OUI, MRC and the University and hold OUI, MRC and the University harmless from and against any and all claims, damages and liabilities:

11.4.1 asserted by third parties (including claims for negligence) which arise from the use of the Licensed Technology or the Marketing of Licensed Products by the Licensee, its Affiliates and/or its sub-licensees; and/or

11.4.2 arising directly from any breach by the Licensee, its sub-licensees or its Affiliates of any obligation imposed on the Licensee under this agreement provided however that this indemnity for breach by the Licensee is subject to clause 11.7.

11.5 Each of the Licensors will use reasonable endeavours to defend any Indemnified Claim and to mitigate its losses, claims, liabilities, costs, charges and expenses or (at the relevant Licensor's option) allow the Licensee to do so on its behalf (subject to the University and MRC retaining the right to be kept informed of progress in the action and to have reasonable input into its conduct). The Licensors will not (except as required by law) make any admission, compromise, settlement or discharge of any Indemnified Claim without the consent of the Licensee (which will not be unreasonably withheld or delayed).

11.6 The Licensee undertakes to make no claim against any employee, student, agent or appointee of OUI, of MRC or of the University, being a claim which seeks to enforce against any of them any liability whatsoever in connection with this agreement or its subject-matter.

11.7 Subject to clause 11.9, and except in relation to the indemnities in clause 5.3 and 11.4.1, the liability of each party for any breach of this agreement, in negligence or arising in any other way out of the subject-matter of this agreement, will not extend to incidental, indirect or consequential damages or to any loss of profits.

11.8 Subject to clause 11.9, the total aggregate liability of each of OUI and MRC to the other parties accruing under or otherwise in connection with this agreement or its subject-matter, including without limitation liability for negligence, shall in no event exceed:

11.8.1 in the case of MRC [***]; and

11.8.2 in the case of OUI, the greater of: (a) [***]; and (b) the total royalties paid to OUI under clauses 7.1, 7.2, 7.5, 7.6 and 7.18 in the Licence Year preceding the Licence Year in which the cause of action accrued.

11.9 Nothing in this agreement shall limit or exclude any liability for fraud or fraudulent misrepresentation or death, or personal injury or any other liability which may not, by law, be excluded.

11.10 Notwithstanding any other clause in this agreement, OUI shall not be entitled to profit from any grant of a licence to any third party in respect of the Licensed Technology that breaches the exclusive rights granted to the Licensee under clause 2 of this agreement ("**a Licence to the Exclusive Rights**"). In the event that the Licensee (acting in good faith) believes that OUI has granted a Licence to the Exclusive Rights, then the Licensee shall provide written notice to OUI with full particulars and all evidence supporting the Licensee's basis for such belief. Within [***] of receipt of written notice from the Licensee, OUI will notify the Licensee in writing whether it admits or disputes that it has granted a Licence to the Exclusive Rights. If OUI serves notice that it disputes that it has granted a Licence to the Exclusive Rights OUI and the Licensee shall enter into good faith negotiations in order to reach mutual agreement to resolve the dispute and if such mutual agreement is not reached within [***] after OUI's receipt of the Licensee's written notice, then the parties will refer the dispute to an independent expert ("**Independent Expert**") for determination on the following basis:

11.10.1 the Independent Expert shall be agreed on by the parties, or, if agreement is not reached within [***] of either party giving notice to the other that it wishes to refer a matter to an Independent Expert, the Independent Expert may be nominated by the President of the Law Society of England and Wales on the request of either party;

11.10.2 the Independent Expert shall be asked to determine:

(a) whether OUI has granted a Licence to the Exclusive Rights; and

(b) any dispute between the parties over the amount of consideration paid to OUI under any Licence to the Exclusive Rights.

11.10.3 the Independent Expert shall act as an expert and not as an arbitrator;

11.10.4 the Independent Expert's decision shall be final and binding on the parties in the absence of fraud or manifest error; and

11.10.5 each party shall bear its own costs in relation to the reference to the Independent Expert. The Independent Expert's fees and any costs it properly incurs in arriving at its determination (including any fees and costs of any advisers appointed by the Independent Expert) shall be borne by the parties in equal shares or in such proportions as the Independent Expert may direct.

11.11 In the event that OUI has admitted or the Independent Expert has determined that OUI has granted a Licence to the Exclusive Rights then OUI will pay to the Licensee a sum equal to all consideration paid to OUI under the Licence to the Exclusive Rights (including consideration that is not in the form of cash payments where it is possible to put a cash value on such a payment). OUI will pay that sum to the Licensee as soon as possible and in any event no later than [***] following the date of admission by OUI or the Independent Expert's determination and will continue to pay a sum equal to all further consideration received by OUI under any such Licence to the Exclusive Rights no later than [***] after receipt. The parties agree that the payment of such sums to the Licensee represent the full amount of compensation to which the Licensee is entitled and the extent of the OUI's liability to the Licensee for any grant by the OUI of a Licence to the Exclusive Rights.

11.12 MRC shall not be entitled to profit from any grant of a licence to any third party in respect of the Licensed Technology that breaches the exclusive rights granted to the Licensee under clause 2 of this agreement. If MRC has been found by a court of competent jurisdiction to have committed a breach of this agreement towards the Licensee in relation to the grant of a licence to a third party in respect of the Licensed Technology that breaches the exclusive rights granted to the Licensee under clause 2 of this agreement ("**Unauthorised Third-Party Licence**"), then any payment received by MRC from the Unauthorised Third-Party Licence shall be disclosed to the Licensee ("**Unauthorised Third-Party Licence Payment**") and the Licensee shall be entitled to reduce the payments due hereunder by [***]% and the percentage set out in clause 7.17 shall become [***] per cent ([***]%) until such time as the Unauthorised Third-Party Licence Payment, as found by a court of competent jurisdiction, have been paid in full to the Licensee. For the avoidance of doubt, the Licensee shall not withhold any payment due under this agreement pursuant to this clause 11.12 until a court of competent jurisdiction has ruled that MRC is in breach of this agreement in granting the Unauthorised Third-Party Licence.

12. GENERAL

12.1 The parties hereto shall act in good faith in all matters relating to this agreement.

12.2 **Registration—**The Licensee must register its interest in any Application with any relevant authorities in the Territory as soon as legally possible. The Licensee must not, however, register an entire copy of this agreement in any part of the Territory or disclose its financial terms without the prior written consent of each of the Licensors, such consent not to be unreasonably withheld or delayed.

12.3 **Advertising—**The Licensee must not use the name of OUI, the University, MRC or the Inventors except any Inventor who is, or has been, a shareholder of the Licensee, in any advertising, promotional or sales literature, without the relevant party's prior written approval save that the Licensee shall not have to seek re-approval for inclusion in any advertising, promotional or sales literature (but, for the sake of clarity, excluding any investment memoranda or other documentation prepared for the purpose of presentation to potential investors), any statement that has previously been approved by that party or included in any press release approved by that party.

12.4 **Packaging—**The Licensee will ensure that the Licensed Products and the packaging associated with them are marked suitably with any relevant patent or patent application numbers to satisfy the laws of each of the countries in which the Licensed Products are sold or supplied and in which they are covered by the claims of any patent or patent application, to the intent that the Licensors shall not suffer any loss or any loss of damages in an infringement action.

12.5 **Thesis** - This agreement shall not prevent or hinder registered students of the University from submitting for degrees of the University theses based on the Licensed Technology or registered students of the French Institutions from submitting for degrees of the French Institutions theses based on the DM1 Application or from following the University's or the French Institutions' procedures for examinations and for admission to postgraduate degree status.

12.6 **Taxes—**Where the Licensee has to make a payment to OU I under this agreement or where OU I has to make a payment to MRC under this agreement which attracts value-added, sales, use, excise or other similar taxes or duties, the Licensee (in respect of payments to OUI) or OUI (in respect of payments to MRC) will be responsible for paying those taxes and duties.

12.7 **Further assurance—**Each party agrees to execute, acknowledge and deliver such further instruments, and do such other acts, as may be necessary and appropriate in order to carry out the purposes and intent of this agreement. MRC, in the case of an MRC Inventor, and OUI in the case of an Oxford Inventor, shall use their reasonable endeavours to procure that the Inventors shall do all such things and execute all such documents (including as deeds) as may be necessary to enable Licensee to enjoy the full benefit of the Licence and to comply with its obligations hereunder, including, for the avoidance of doubt, its obligations under clause 4.2 above.

12.8 **Notices—**All notices to be sent to OUI under this agreement must indicate the OUI Project Ns and should be sent, by post and email unless agreed otherwise in writing, until further notice to: [***]. All notices to be sent to MRC under this agreement must indicate the MRC Project Ns and should be sent, until further notice, to [***]. All notices to be sent to the Licensee under this agreement should be sent, until further notice, to the Licensee's Contact and Address indicating the OUI Project Ns [***].

12.9 **Force Majeure—**If performance by a party of any of its obligations under this agreement (not including an obligation to make payment) is prevented by circumstances beyond its reasonable control, that party will be excused from performance of that obligation for the duration of the relevant event.

12.10 **Assignment**-The Licensee may assign any of its rights or transfer any obligations under this agreement in whole or in part, to an Affiliate and only for so long as it remains an Affiliate and the Licensors shall at the request of the Licensee execute a Deed of Novation to bring about that assignment. Except as provided in this clause, the Licensee may not assign any of its rights or transfer any of its obligations under this agreement without the prior written consent of each of the Licensors (such consent not to be withheld or delayed or conditioned except solely on reasonable grounds that primarily relate to avoiding any detrimental reputational impact on MRC or the University or the assignee having insufficient funds to fulfil the obligations of this agreement, it being acknowledged and agreed that if the assignee is a publicly listed company with a market capitalisation equal to or in excess of [***] it will be considered to have sufficient financial resources). If MRC and/or OUI assigns its rights in the Licensed Technology to any person it shall do so expressly subject to the Licensee's rights under this agreement.

12.11 **Severability—**If any of the provisions of this agreement is or becomes invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions will not in any way be affected or impaired. The parties will, however, negotiate to agree the terms of a mutually satisfactory provision, achieving as nearly as possible the same commercial effect, to be substituted for the provision found to be void or unenforceable.

12.12 **No Partnership etc—**Nothing in this agreement creates, implies or evidences any partnership or joint venture between a party and either or both of the other two parties, or the relationship between them of principal and agent.

12.13 **Entire Agreement—**This agreement constitutes the entire agreement between the parties in relation to the Licence to the exclusion of all other terms and conditions (including any terms or conditions which the Licensee purports to apply under any purchase order, confirmation order, specification or other document) and supersedes all prior agreements, whether written or oral, with respect to the subject matter of this agreement, including, for the avoidance of doubt, the Original Licence Agreement and the Addendum. The Licensee has not relied on any other statements or representations in agreeing to enter this agreement and waives all claims for breach of any warranty and all claims for any misrepresentation, (negligent or of any other kind, unless made by a Licensor fraudulently) in relation to any warranty or representation which is not specifically set out in this agreement. Specifically, but without limitation, this agreement does not impose or imply any obligation on OUI, MRC or the University to conduct development work. Any arrangements for such work must be the subject of a separate agreement between the University, MRC and/or the Licensee.

12.14 **Variation** - Any variation of this agreement must be in writing and signed by authorised signatories for each party. For the avoidance of doubt, the parties to this agreement may rescind or vary this agreement without the consent of any party that has the benefit of clause 12.16.

12.15 **Waiver—**No failure or delay by a party in enforcing its rights under this agreement, or at law or in equity will prejudice or restrict those rights. No waiver of any right will operate as a waiver of any other or later right or breach. Except as stated to the contrary in this agreement, no right, power or remedy conferred on, or reserved to, a party is exclusive of any other right, power or remedy available to it, and each of those rights, powers, and remedies is cumulative.

12.16 **Rights Of Third Parties—**The parties to this agreement intend that by virtue of the Contracts (Rights of Third Parties) Act 1999 the University and the people referred to in clause 11.6 will be able to enforce the terms of this agreement intended by the parties to be for their benefit as if the University and the people referred to in clause 11.6 were party to this agreement.

12.17 **Governing Law—**This agreement is governed by English Law, and the parties submit to the exclusive jurisdiction of the English Courts for the resolution of any dispute which may arise out of or in connection with this agreement except in relation to any action in relation to Intellectual Property Rights or Confidential Information which may be sought in any court of competent jurisdiction.

12.18 **General Compliance with Laws**—Each Party shall at all times (and shall procure that any persons associated with it engaged in the performance of this Agreement shall) comply with all legislation, rules, regulations and statutory requirements (including, but not limited to, any applicable Bribery Act, Modem Slavery Act and Export Control Regulations) applying to and obtain any consents necessary in relation to the performance of this Agreement (including in the case of the Licensee, its use of the Licensed Technology and the use, development, manufacture, and sale of Licensed Products in any country or territory).

SCHEDULE 1
DEFINITIONS

(Clause 1)

Academic and Research Purposes means research, teaching or other scholarly use which is undertaken for the purposes of education and research and not at the behest of, or for the benefit of, any "for profit" and/or commercial entity.

Affiliate means any company or legal entity in any country Controlling or Controlled by the Licensee (or any legal entity in any country Controlling or Controlled by the sub-licensee in respect of clause 2.5).

Applications means the patent applications set out in Schedule 2 , and:

(a) any patents granted in response to those applications;

(b) any corresponding foreign patents and applications which may be granted in the Territory based on and deriving priority from those applications;

(c) any addition, continuation, continuation-in-part, division, reissue, renewal or extension based on those applications; and

(d) supplementary protection certificates based or in relation to the foregoing.

Business Day means a day, other than a Saturday or Sunday, on which clearing banks are permitted to open in London.

Clinical Patient Care means diagnosing, treating and/or managing the health for Academic and Research Purposes only of persons under the care of an individual having the right to use the Licensed Technology in the event that such Licensed Technology is capable of application in a healthcare setting without further development.

Commercially Reasonable Endeavours means the effort a prudent and determined company of comparable size and sector to the Licensee would take to pursue the goal of developing and Marketing Licensed Products to maximize the financial return and fulfil the steps laid out in the Development Plan having regard to the time value of money and the risks associated with such development and exploitation.

Completion Fee means the fee of [***] set out in Schedule 2 of, and payable under, the Original Licence Agreement.

Compound means a biological or chemical compound, including compounds which comprise one or more amino acids (such as a peptide) or nucleic acids (including siRNA, mRNA, shRNA or DNA) or a combination thereof

Confidential Information means in relation to each party any materials, trade secrets or other information disclosed by that party to another party that would be regarded as confidential by a reasonable business person or information which is identified as being confidential or otherwise designated to show expressly that it is imparted in confidence. Without limiting the foregoing subject to clauses 3 and 6 the Licensed Technology, to the extent that it is not disclosed by the Applications when published, and this agreement shall be deemed Confidential Information of MRC, OUI and the Licensee.

Control means:

(a) ownership of more than fifty percent (50%) of the voting share capital of the relevant entity; or

(b) the ability to direct the casting of more than fifty percent (50%) of the votes exercisable at a general meeting of the relevant entity on all, or substantially all, matters.

Development Plan means the plan set out in Schedule 5 as revised in accordance with clause 8.3.

DPEP means a [***].

DPFS Funded Technology means all inventions, materials, works, data, know-how and other results arising from the performance of the DPFS Project and all Intellectual Property Rights and rights protecting confidential information therein.

DPFS Project means the project of work as described in MRC reference [***] and the University of Oxford reference [***], a non-confidential outline of which was set out in Schedule 1 of the Addendum, and any revisions or extensions of that project of work.

Exit Buy Out Amount means the amount set out in Schedule 2 .

Exit Event means (i) the acquisition of all or part of the share capital of the Licensee (or one of its Affiliates) by a third party (the "**Acquiror**") where, as a result of such acquisition, the Acquiror obtains direct or indirect Control of the Licensee but excluding (a) any transaction where the shareholders of the Acquiror are the same as the shareholders of the Licensee prior to the transaction in question; (b) any transaction where one shareholder of the Licensee acquires the shareholding of another shareholder in Licensee; and (c) any transaction, the primary purpose of which is for the Licensee or any of its Affiliates to raise capital (other than by initial public offering) whether or not any allotments of shares on such capital raise result in any person gaining direct or indirect Control of the Licensee; or (ii) an initial public offering of the Licensee's shares on a stock exchange or any market where such shares are offered to private and/or institutional investors.

Exit Fee means the fees to be paid by the Licensee to OUI following an Exit Event calculated in accordance with the table set out in Schedule 2 and payable in accordance with clause 7.4 of the main body of this agreement.

Exit Valuation means the value of the Licensee as valued at the Exit Event in terms of the Licensee's share capital or its business or assets (as applicable), including all elements of deferred consideration, less the total subscription amount received by the Licensee from its shareholders for shares held in the Licensee prior to the Exit Event.

Exploit means to make, have made, import, use, sell, or offer for sale, Market, research, develop, trial, register, modify, enhance, improve, manufacture, have manufactured, hold/keep (whether for disposal or otherwise), formulate, optimise, have used, export, transport, distribute, promote, market or have sold or otherwise dispose or offer to dispose of or otherwise exploit, a Compound or product and "**Exploitation**" and "**Exploiting**" shall be construed accordingly.

Fee Income Royalty Rate means the royalty rate set out in Schedule 2 .

First Commercial Sale means the first sale for monetary value for use or consumption by the general public of a Licensed Product in any country after all health registration approvals necessary to commence regular commercial sales of such Licensed Product have been obtained in such country.

First Licensed Product means the specific Licensed Product which is the subject of the first commercial sale of a Licensed Product to a third party by the Licensee or one of the Licensee's sub-licensees.

Gross Receipts means the amount of any payments (excluding any funding for research and/or development even if provided by a commercial third party) and the value of any non-monetary receipt received from time to time by OUI from the Licensee under this agreement arising from any exploitation of the Licensed Technology or any Legal Action in respect of the Licensed Technology under this agreement (including, without limitation, Milestone Fee, Completion Fee, Restatement Completion Fee, Exit Fee, royalties on sales of Licensed Product, fees income or sublicensing income). For the avoidance of doubt, "**Gross Receipts**" shall exclude DM1 Past Patent Costs and the Licensed Data Fee.

Indemnified Claim means any claim under which MRC, OUI and the University are entitled to be indemnified under clause 11.4.

Intellectual Property Rights means patents, trade marks, copyrights, database rights, rights in designs, and all or any other intellectual or industrial property rights, whether or not registered or capable of registration.

Inventor means the inventors named in the Applications and identified in Schedule 2.

Legal Action means commencing or defending any proceedings before a court or tribunal in any jurisdiction in relation to any exclusive rights included in the Licensed Technology including all claims and counterclaims for misappropriation, infringement and for declarations of non-infringement or invalidity.

Licence means the licence granted by the Licensors to the Licensee under clause 2.3.

Licence Year means each twelve (12) month period beginning on 26 March 2018 and each anniversary thereof.

Licensed Data means that part of the DPFS Funded Technology that arose from the study of DPEPs, specifically identiflied in Schedule 3.

Licensed Data Fee means the fee set out in Schedule 2 .

Licensed Know-How means:

(a) All confidential information relating to the Applications or the technology described in the Applications that is communicated in writing to the Licensee by OUI under this agreement and within [***] after the date of the Original Licence Agreement;

(b) All confidential unpatented technical and other information documented in electronic or written form owned by MRC generated up to [***] by the research group led by [***] relating to the Applications which is not in the public domain and that is set out in Schedule 4.

(c) unpatented technical and other information documented in electronic or written form owned by OUI and/or the University generated up [***] by the research group led by [***] relating to the Applications which is not in the public domain and that is set out in Schedule 4.

Licensed Product means any product, process, service or composition which is entirely or partially developed or produced by means of or which incorporates or makes use of any part of the Licensed Technology.

Licensed Technology means the Applications, the Licensed Know-How, the Licensed Data (to the extent, in the case of licensed rights, that OUI and MRC are legally able to grant a sub-licence of the same).

Licensee's Contact and Address means the address for the Licensee set out in Schedule 2 of this agreement.

Licensors means MRC and OUI.

Market (or **Marketed** or **Marketing**) means, in relation to a Licensed Product, offering to sell, lease, licence or otherwise commercially exploit the Licensed Product or the sale, lease, licence or other commercial exploitation of the Licensed Product.

Medicines Access Policy means the policy of the University to promote access to pharmaceutical and other products and services, the current version of which is available at www.admin.ox.ac.uk/researchsupport/inteqrity/access

Milestone and **Milestone Fee** means the milestones, and the amounts payable on achievement of each of the milestones, set out in Schedule 2.

MRC Inventors means the inventors identified in Schedule 2 under the heading 'MRC Inventors'.

Net Receipts means the Gross Receipts less the costs incurred by OUI in connection with the exploitation and protection of the Licensed Technology. Such costs are:

(a) official filing fees;

(b) patent agents' cost and legal, accounting and other advisory and consultancy fees, including those incurred in connection with the Applications and which are not paid for or reimbursed by the Licensee to OUI under this agreement;

(c) a charge for OUI's overheads, being a sum equal to [***] percent of the gross receipts less the direct costs referred to in sub-clauses (a) and (b) above;

(d) Value Added, sales, excise and withholding taxes which are imposed in respect of the gross receipts, the Net Receipts or the costs referred to in sub-clause (a) to (c), and which OUI is unable to offset or recover.

Net Sales means the gross selling price of the Licensed Product in the form in which it is Marketed by the Licensee, less:

(a) trade, quantity or cash discounts actually given;

(b) outbound carriage and packaging expenses actually paid;

(c) customs duties, sales taxes or other taxes imposed upon and paid with respect to such sales (excluding personal taxes); and

(d) amounts allowed or credited or retroactive price reductions or rebates actually given/paid.

Any refund of any of the foregoing amounts previously deducted from Net Sales shall be appropriately credited upon receipt.

The Licensee may, at its option, allocate the above deductions from sales of Licensed Products based upon accruals estimated reasonably and consistently with the Licensee's standard business practices. If the Licensee elects to utilise such accruals, actual deductions will be calculated and, if applicable, a "true-up" made, on an annual basis.

A transfer of a Licensed Product (as a product) from Licensee to an Affiliate shall not be deemed to be a sale hereunder provided that if a sale of a Licensed Product is to an Affiliate of the Licensee and such Affiliate is the end user of the Licensed Product, then the "**gross selling price**" with respect to such sale shall, for the purposes of calculating "**Net Sales**", be the greater of (a) the sums actually received and (b) the sums which would have been received had such sale of the Licensed Product been to a person at arm's length with the seller.

For the avoidance of doubt, the value of any Licensed Product transferred to a collaboration partner, contract research organisation or clinical trial site for the purposes of conducting pre-clinical development and/or clinical trials under the Development Plan (or part of it) shall be excluded from the calculation of Net Sales.

Non-Commercial Use means Academic and Research Purposes and the purposes of Clinical Patient Care. This includes the right for the University and MRC to license the Licensed Technology to any of its collaborators or existing funders in connection with and solely for the University's and/or MRC's or such collaborators' or funders' Academic and Research Purposes; but it does not include the right to grant any licence to commercially Exploit the Licensed Technology.

Oxford Inventor means the Inventors identified as being from Oxford in Schedule 2 .

Quarter means each period of three calendar months during a Licence Year with the first quarter commencing on the first day of each Licence Year.

Paris Inventors means the Inventors identified as being from Paris in Schedule 2 .

Restatement Completion Fee means the fee set out in Schedule 2 .

Royalty Rate means the royalty rate or rates set out in Schedule 2 .

Royalty Report means the report to be prepared by the Licensee under clause 9.2.

Royalty Threshold means Net Sales by the Licensee of [***].

Sub-licensing Royalty Rate means the sub-licensing royalty rate set out in Schedule 2 .

Subsequent Licensed Products means all Licensed Products but excludes the First Licensed Product.

Territory means the territory or territories set out in Schedule 2 excluding any territory or territories removed through the operation of clause 4.3.

Therapeutic Agent means a Compound which is intended to or does modulate or otherwise exert an effect upon a biological process or function;

University means the Chancellor, Masters and Scholars of the University of Oxford whose administrative offices are at the University Offices, Wellington Square, Oxford 0X1 2JD.

Valid Claim means a granted or currently pending claim included in the Applications that has not expired nor been held permanently revoked, unpatentable, invalid or unenforceable by a court or tribunal of competent jurisdiction in a final and non- appealable judgment; nor been rendered unenforceable through disclaimer or otherwise abandoned.

SCHEDULE 2

APPLICATIONS:

[***]

INVENTORS:

[***]

Territory (Clause 2.3):	Worldwide
Restatement Completion Fee (clause 7.1):	[***]
Licensed Data Fee (clause 7.1):	[***]
DM1 Past Patent Costs (clause 4.1):	[***]
Royalty Rate (clause 7.2):	[***]% on all Net Sales of First Licensed Product
	[***]% on Net Sales of Subsequent Licensed Products.
Fee Income Royalty Rate (clause 7.5):	[***]% where the Licensee enters into sublicensing or partnering arrangement prior to the third Licence Year.
	[***]% where the Licensee enters into the sublicensing agreement or partnering arrangement in the third Licence Year.
	[***]% where the Licensee enters into the sublicensing agreement or partnering arrangement after the third Licence Year.
Sublicensing Royalty Rate (clause 7.6):	[***]% where the Licensee enters into the sublicence prior to the third Licence Year.
	[***]% where the Licensee enters into the sublicence in the third Licence Year.
	[***]% where the Licensee enters into the sublicence after the third Licence Year.
Exit Buy Out Amount (clause 7.3):	[***]

Exit Fee (clause 7.3):

An amount equal to a percentage of the Exit Valuation calculated as follows:

[***]% on amounts up to the first [***] of the Exit Valuation

[***]% on amounts greater than [***] and less than [***] of the Exit Valuation

[***]% on any part of the Exit Valuation above [***]

Subject to an overall cap on the Exit Fee of £5 million

Licensee's Contact and Address (clause 12.7):

[***]

Milestone and **Milestone Fee** (clause 7.18):

Milestone	**Milestone Fee**
[***]	[***]
[***]	[***]

SCHEDULE 3
LICENSED DATA

[***]

SCHEDULE 4
LICENSED KNOW-HOW

[***]

SCHEDULE 5

DEVELOPMENT PLAN

[***]

SCHEDULE 6

DEED OF COVENANT

Oxford University Innovation Limited
University Offices,
Wellington Square,
Oxford 0X1 2JD, England

MEDICAL RESEARCH COUNCIL
2nd Floor David Phillips Building
Polaris House
North Star Avenue,
Swindon SN2 1FL, UK

Date: [insert date]

Dear Sirs,

Sub-Licence between PepGen Limited (the "Licensee") and [insert details of Sub-Licensee] dated [insert date] (the "Sub-Licence")

As part consideration for the grant of a sub-licence from the Licensee to use [insert details of licensed technology] (the "**Licensed Technology**"), the Sub-Licensee hereby covenant to Oxford University Innovation Limited and Medical Research Council as part of United Kingdom Research and Innovation (the "**Licensors**") and the Licensors covenant with the Sub-Licensee that:

1. Should the head licence between the Licensee and the Licensors be terminated for whatever reason, the Licensors and the Sub-Licensee shall enter into a direct licence containing the same obligations and liabilities as set forth in the Sub-Licence and the Sub-Licensee will pay all due and payable monies under the Sub-Licence to the Licensors;

2. Should the Sub-Licensee wish to further sub-licence the Licensed Technology where the Licensors has consented to the Sub-Licence including the right to do so, it shall procure that any sub-sub-licensee enters into a Deed of Covenant with the Licensors in a form substantially similar to this Deed of Covenant.

3. The Licensors shall have the right, during the term of the Sub-Licence, through an independent certified accountant appointed by the Licensors (the "**Auditor**"), to audit all accounts on at least [***] written notice no more than once each calendar year for the purpose of determining the accuracy of the royalty reports and payments. The Auditor shall be:

    (a) permitted to enter the principal place of business of the Sub-Licensee upon reasonable notice to inspect such records and accounts;

    (b) entitled to take copies of or extracts from such records and accounts;

    (c) given all other information by the Sub-Licensee as may be necessary or appropriate to enable the amount of royalties payable to be ascertained including the provision of relevant records; and

(d) shall be allowed access to and permitted to conduct interviews of any sales, engineering or other staff of the Sub-Licensee in order to verify the accuracy of the records and accounts and the accuracy of any royalty statements provided to the Licensors.

If on any such audit a shortfall in payments of greater than [***] percent ([***]%) is discovered by the Auditor in respect of the audit period, the Sub-Licensee shall pay the audit costs of the Licensors.

EXECUTED AND DELIVERED AS A DEED by

[Insert details of Sub-Licensee] in the presence of:-

Signature of Witness: _____

Name of Witness: _____

Address: _____

EXECUTED AND DELIVERED AS A DEED by

OXFORD UNIVERSITY INNOVATION LIMITED in the presence of:-

Signature of Witness: _____

Name of Witness: _____

Address: _____

EXECUTED AND DELIVERED AS A DEED by

MEDICAL RESEARCH COUNCIL AS PART OF UNITED KINGDOM RESEARCH AND INNOVATION in the presence of:-

Signature of Witness: _____

Name of Witness: _____

Address: _____

SCHEDULE 7
PERSONS WITH AN OWNERSHIP INTEREST IN THE LICENSED TECHNOLOGY

The French Institutions

AS WITNESS this agreement has been signed by the duly authorised representatives of the parties.

SIGNED for and on behalf of	)	
OXFORD UNIVERSITY	**)**	
INNOVATION LIMITED:	)	
acting by: Adam Stoten	)	/s/ Adam Stoten
Date: 11/23/2020	)	

SIGNED for and on behalf of	)	
MEDICAL RESEARCH COUNCIL AS PART OF	)	
UNITED KINGDOM RESEARCH AND	)	
INNOVATION	)	
Acting by: Georgia Gliki	)	/s/ Georgia Gliki

Date 11/23/2020

SIGNED for and on behalf of	)	
PEPGEN LIMITED	)	
acting by: Caroline Godfrey	)	/s/ Caroline Godfrey
Date: 11/20/2020	)	

Exhibit 10.11

LEASE

by and between

B9 LS HARRISON & WASHINGTON LLC,
a Delaware limited liability company

and

PEPGEN, INC.,
a Delaware corporation

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LEASE

THIS LEASE (this "Lease") is entered into as of this 1st day of December 2021 (the "Execution Date"), by and between B9 LS HARRISON & WASHINGTON LLC, a Delaware limited liability company ("Landlord"), and PEPGEN, INC., a Delaware corporation ("Tenant").

RECITALS

A. WHEREAS, Landlord owns certain real property described on Exhibit A-1 attached hereto (collectively, the "Property") and the improvements located on the Property at 321 Harrison Avenue, 1000 Washington Street, and 333 Harrison Avenue in Boston, Massachusetts; and

B. WHEREAS, Landlord wishes to lease to Tenant, and Tenant desires to lease from Landlord, certain premises (the "Premises") on the eighth (8th) floor of the building known as 321 Harrison Avenue, Boston, Massachusetts (the "Building") located on the Property, pursuant to the terms and conditions of this Lease, as detailed below.

AGREEMENT

NOW, THEREFORE, Landlord and Tenant, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, agree as follows:

1. Lease of Premises.

1.1 Effective on the Term Commencement Date (as defined below), Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises, as shown on Exhibit A attached hereto, including exclusive shafts, cable runs, mechanical spaces, for use by Tenant in accordance with the Permitted Use (as defined below) and no other uses. The Property and all landscaping, parking facilities, private drives and other improvements and appurtenances related thereto, including the Building and other buildings and improvements located on the Property, are hereinafter collectively referred to as the "Project." All portions of the Building that are for the non-exclusive use of the tenants of the Building only, and not the tenants of the Project generally, such as service corridors, stairways, elevators, public restrooms and public lobbies (all to the extent located in the Building), are hereinafter referred to as "Building Common Area." All portions of the Project that are for the non-exclusive use of tenants of the Project generally, including driveways, sidewalks, parking areas, landscaped areas, and service corridors, stairways, elevators, public restrooms and public lobbies (but excluding Building Common Area), are hereinafter referred to as "Project Common Area." The Building Common Area and Project Common Area are collectively referred to herein as "Common Area."

2. Basic Lease Provisions. For convenience of the parties, certain basic provisions of this Lease are set forth herein. The provisions set forth herein are subject to the remaining terms and conditions of this Lease and are to be interpreted in light of such remaining terms and conditions.

2.1 This Lease shall take effect upon the Execution Date and, except as specifically otherwise provided within this Lease, each of the provisions hereof shall be binding upon and inure to the benefit of Landlord and Tenant from the date of execution and delivery hereof by all parties hereto.

2.2 In the definitions below, Rentable Area (as defined below) is expressed in square feet. Rentable Area and "Tenant's Pro Rata Shares" are all subject to adjustment as provided in this Lease.

Definition or Provision	Means the Following (As of the Execution Date)
Approximate Rentable Area of Premises*	31,668 square feet
Approximate Rentable Area of Building	247,670 square feet
Approximate Rentable Area of Project	493,375 square feet
Tenant's Pro Rata Share of Building*	12.79%
Tenant's Pro Rata Share of Project*	6.42%

* *Note*: *Subject to adjustment based upon the Rentable Area of the Premises, Building and Project as of the Term Commencement Date subject to Section 6 below*.

2.3 Monthly and annual installments of Base Rent for the Premises ("Base Rent") as of the Rent Commencement Date (as defined below), subject to adjustment under this Lease, will be as follows:

Dates	Square Feet of Rentable Area*	Base Rent per Square Foot of Rentable Area	Monthly Base Rent*	Annual Base Rent*
Rent Commencement Date - date immediately prior to 1st anniversary of Rent Commencement Date	31,668	$93.00 annually	$245,427.00	$2,945,124.00
1st anniversary of Rent Commencement Date - date immediately prior to 2nd anniversary of Rent Commencement Date	31,668	$95.79 annually	$252,789.81	$3,033,477.72
2nd anniversary of Rent Commencement Date - date immediately prior to 3rd anniversary of Rent Commencement Date	31,668	$98.66 annually	$260,363.74	$3,124,364.88

3rd anniversary of Rent Commencement Date - date immediately prior to 4th anniversary of Rent Commencement Date	31,668	$101.62 annually	$268,175.18	$3,218,102.16
4th anniversary of Rent Commencement Date - date immediately prior to 5th anniversary of Rent Commencement Date	31,668	$104.67 annually	$276,224.13	$3,314,689.56
5th anniversary of Rent Commencement Date - date immediately prior to 6th anniversary of Rent Commencement Date	31,668	$107.81 annually	$284,510.59	$3,414,127.08
6th anniversary of Rent Commencement Date - date immediately prior to 7th anniversary of Rent Commencement Date	31,668	$111.05 annually	$293,060.95	$3,516,731.40
7th anniversary of Rent Commencement Date - date immediately prior to 8th anniversary of Rent Commencement Date	31,668	$114.38 annually	$301,848.82	$3,622,185.84
8th anniversary of Rent Commencement Date - date immediately prior to 9th anniversary of Rent Commencement Date	31,668	$117.81 annually	$310,900.59	$3,730,807.08

* *Note*: *Subject to adjustment based upon the Rentable Area of the Premises as of the Term Commencement Date*.

2.4 Estimated Term Commencement Date: As defined in Section 1.2 of the Work Letter.

2.5 Intentionally omitted.

2.6 Security Deposit: $1,472,562.00

2.7 Permitted Use: Office, laboratory and research and development use in conformity with all federal, state, municipal and local laws, codes, ordinances, rules and regulations of Governmental Authorities (as defined in Section 9.1(a) below), committees, associations, or other regulatory committees, agencies or governing bodies (including, by way of example, quasi-governmental bodies such as the Massachusetts Port Authority and Transportation Management Associations, but excluding voluntary memberships to the extent not expressly required under this Lease) having jurisdiction over the Premises, the Building, the Property, the Project, Landlord or Tenant, including both statutory and common law and hazardous waste rules and regulations ("Applicable Laws")

2.8 Address for Rent Payment:

B9 LS HARRISON & WASHINGTON LLC
Attention Entity 110300
P.O. Box 511387
Los Angeles, California 90051-7942

2.9 Address for Notices to Landlord:

B9 LS HARRISON & WASHINGTON LLC
4570 Executive Drive, Suite 400
San Diego, California 92121
Attn: Legal Department
Email: legalreview@biomedrealty.com

2.10 Address for Notices to Tenant:

PepGen, Inc.
245 Main Street, 12th floor
Cambridge, Massachusetts 02142
Attn: Emiko Bryant
Email: ebryant@pepgen.com

2.11 Address for Invoices to Tenant:

PepGen, Inc.
245 Main Street, 12th floor
Cambridge, Massachusetts 02142
Attn: Emiko Bryant
Email: ebryant@pepgen.com and
Accounting@pepgen.com

2.12 The following Exhibits are attached hereto and incorporated herein by reference:

Exhibit A Premises
Exhibit A-1 Legal Description of the Property
Exhibit B Work Letter
Exhibit B-1 Tenant Work Insurance Schedule
Exhibit B-2 Landlord's Work
Exhibit C Acknowledgement of Term Commencement Date and Term Expiration Date
Exhibit D Form of Additional TI Allowance Acceptance Letter

Exhibit E Form of Letter of Credit
Exhibit F Rules and Regulations
Exhibit F-1 Common Area Use Form
Exhibit G Transportation Access Plan Agreement
Exhibit H Tenant's Personal Property
Exhibit I Form of Estoppel Certificate
Exhibit J Definition of Obsolete Equipment

3. Term. The term of the leasehold granted by this Lease (as the same may be extended pursuant to Article 42 hereof, and as the same may be earlier terminated in accordance with this Lease, the "Term") shall commence on the Term Commencement Date (as defined in Article 4) and end on the date (the "Term Expiration Date") that is one hundred ten (110) months after the Term Commencement Date, subject to extension or earlier termination of this Lease as provided herein.

4. Possession and Commencement Date.

4.1 Landlord shall use commercially reasonable efforts to tender possession of the Premises to Tenant on the Estimated Term Commencement Date, with the work (the "Tenant Improvements") required of Landlord described in the Work Letter attached hereto as Exhibit B (the "Work Letter") and the base building laboratory infrastructure work as more specifically described in Exhibit B-2 attached hereto (the "Landlord's Work") each Substantially Complete (as defined below). Tenant agrees that in the event such work is not Substantially Complete on or before the Estimated Term Commencement Date for any reason, then (a) this Lease shall not be void or voidable, (b) Landlord shall not be liable to Tenant for any loss or damage resulting therefrom, (c) the Term Expiration Date shall be extended accordingly and (d) Tenant shall not be responsible for the payment of any Base Rent or Tenant's Adjusted Share of Operating Expenses (as defined below) until the actual Term Commencement Date as described in Section 4.2 occurs. Notwithstanding the foregoing, in the event Substantial Completion of the Landlord's Work shall occur subsequent to the date which is ninety (90) days following the Estimated Term Commencement Date, Tenant shall receive a credit against Tenant's obligation to pay Base Rent hereunder from and after such date, on a per diem basis, for each day during the period from the ninety-first (91st) day following the Estimated Term Commencement Date until Landlord has Substantially Completed the Landlord's Work, provided that such delay has not been caused in any way by a Tenant Delay or Force Majeure. The term "Substantially Complete" or "Substantial Completion" means, (x) with respect to the Tenant Improvements, that the Tenant Improvements are substantially complete in accordance with the Approved Plans (as defined in the Work Letter), except for punch list items that will not materially adversely affect Tenant's occupancy and operations in the Premises, as reasonably determined by Landlord's architect, (y) the Landlord's Work (including all base building systems necessary for Tenant's occupancy and operations) is substantially complete except for punch list items that will not materially adversely affect Tenant's occupancy and operations in the Premises, as reasonably determined by Landlord's architect, and (z) the Premises may be legally occupied pursuant to a temporary certificate of occupancy or its substantial equivalent (such as sign-off on the building permit by the Governmental Authority that issued such permit), to the extent required by Applicable Laws for occupancy of the Premises. Tenant shall have the right to review the above-mentioned punch lists. Notwithstanding anything in this Lease (including the Work Letter) to the contrary, Landlord's obligation to timely achieve Substantial Completion shall be subject to extension on a day-for-day basis as a result of Force Majeure (as defined below) or Tenant Delay (as defined below).

4.2 The "Term Commencement Date" shall be the date Landlord tenders possession of the Premises to Tenant with the Tenant Improvements and Landlord's Work Substantially Complete. If possession is delayed by Tenant Delay, then the Term Commencement Date shall be the date that the Term Commencement Date would have occurred but for such Tenant Delay. Tenant shall execute and deliver to Landlord written acknowledgment of the actual Term Commencement Date and the Term Expiration Date within ten (10) days after Tenant takes possession of the Premises, in the form attached as Exhibit C hereto. Failure to execute and deliver such acknowledgment, however, shall not affect the Term Commencement Date or Landlord's or Tenant's liability hereunder. Failure by Tenant to obtain any governmental licensing or similar governmental approval of the Premises required for the Permitted Use by Tenant shall not serve to extend the Term Commencement Date.

As used herein, the term "Tenant Delay" shall mean any actual delay in Landlord's achievement of Substantial Completion of the Tenant Improvements or Landlord's Work, in either case as a result of any of the following:

(i) Tenant's request for Change Requests;

(ii) Any Changes to the Approved TI Construction Documents requested by Tenant and approved by Landlord;

(iii) Tenant's request for materials, finishes or installations requiring unusually long lead times for which Landlord has provided a written estimate of such lead times;

(iv) Tenant's delay in reviewing, revising or approving plans and specifications beyond the periods set forth herein that is not caused by Landlord's failure to timely perform its obligations hereunder;

(v) Tenant's delay in making payments to Landlord for Excess TI Costs;

(vi) Tenant's failure to timely comply with its obligations under the Work Letter and/or the Lease within applicable notice and cure periods; or

(vii) Any other act or omission by Tenant which continues for 2 business days after written notice from Landlord.

4.3 In the event that Landlord permits Tenant to enter upon the Premises prior to the Term Commencement Date for the purpose of installing improvements or the placement of personal property (which Landlord shall reasonably permit provided such access does not interfere with construction or inspection work being performed on behalf of Landlord and is coordinated with Landlord's contractors), Tenant shall furnish to Landlord evidence satisfactory to Landlord in advance that insurance coverages required of Tenant under the provisions of Article 23 are in effect, and such entry shall be subject to all the terms and conditions of this Lease other than the payment of Base Rent; and provided, further, that if the Term Commencement Date is delayed due to such early access, then the Term Commencement Date shall be the date that the Term Commencement Date would have occurred but for such Tenant Delay.

4.4 Landlord shall cause the Tenant Improvements to be constructed in the Premises pursuant to the Work Letter at a cost to Landlord not to exceed (a) Six Million Three Hundred Thirty Three Thousand Six Hundred Dollars ($6,333,600.00) (based upon Two Hundred Dollars ($200.00) per square foot of Rentable Area (as defined below and subject to change based upon the Rentable Area of the Premises as of the Term Commencement Date) (the "Base TI Allowance") plus (b) if properly requested by Tenant pursuant to this Section, Four Hundred Seventy-Five Thousand Twenty Dollars ($475,020.00) (based upon Fifteen Dollars ($15.00) per square foot of Rentable Area and subject to change based upon the Rentable Area of the Premises as of the Term Commencement Date) (the "Additional TI Allowance"), for a total of Six Million Eight Hundred Eight Thousand Six Hundred Twenty Dollars ($6,808,620.00) (based upon Two Hundred Fifteen Dollars ($215.00) per square foot of Rentable Area and subject to change based upon the Rentable Area of the Premises as of the Term Commencement Date). The Base TI Allowance, together with the Additional TI Allowance (if properly requested by Tenant pursuant to this Article), shall be referred to herein as the "TI Allowance." The TI Allowance may be applied to the costs of (m) construction, (n) project management by Landlord (which fee shall equal three percent (3%) of the cost of the Tenant Improvements, including the Base TI Allowance and, if used by Tenant, the Additional TI Allowance), (o) commissioning of mechanical, electrical and plumbing systems by a licensed, qualified commissioning agent hired by Landlord, and review of such party's commissioning report by a licensed, qualified commissioning agent hired by Tenant, (p) space planning, architect, engineering and other related services performed by third parties unaffiliated with Tenant, (q) building permits and other taxes, fees, charges and levies by Governmental Authorities (as defined below) for permits or for inspections of the Tenant Improvements, and (r) costs and expenses for labor, material, equipment and fixtures. In no event shall the TI Allowance be used for (w) payments to Tenant or any affiliates of Tenant, (x) the purchase of any furniture, personal property or other non-building system equipment, (y) costs arising from any default by Tenant of its obligations under this Lease or (z) costs that are recoverable by Tenant from a third party (e.g., insurers, warrantors, or tortfeasors) which may include, by way of example only, damage to the Premises or Building caused by Tenant for which Tenant carries or is required to carry insurance.

4.5 Landlord shall not have any obligation to fund any unused portion of the TI Allowance after the date that is ten (10) months after the Term Commencement Date (the "TI Deadline"), after which date Landlord's obligation to fund any such costs shall expire. Initial Base Rent shall be increased to include the amount of the Additional TI Allowance disbursed by Landlord upon written request by Tenant in accordance with this Lease amortized over the initial Term at a rate of eight percent (8%) annually for each Dollar of the Additional TI Allowance disbursed by Landlord in accordance with this Lease. The amount by which Base Rent shall be increased shall be determined (and Base Rent shall be increased accordingly) as of the Term Commencement Date and, if such determination does not reflect use by Tenant of all of the Additional TI Allowance, shall be determined again as of the TI Deadline, with Tenant paying (on the next succeeding day that Base Rent is due under this Lease (the "TI True-Up Date")) any underpayment of the further adjusted Base Rent for the period beginning on the Term Commencement Date and ending on the TI True-Up Date. The initial Base Rent, as adjusted to reflect the disbursement of the Additional TI Allowance in accordance with this Section, shall be subject to further annual adjustments as set forth in Section 8.1.

4.6 Tenant shall pay the costs of the Tenant Improvements on a pari passu basis with Landlord as such costs are paid, in the proportion of Excess TI Costs payable by Tenant to the Base TI Allowance (and, if properly requested by Tenant pursuant to this Lease, the Additional TI Allowance) payable by Landlord. Landlord shall not be obligated to expend any portion of the Additional TI Allowance until Landlord shall have received from Tenant a letter in the form attached as Exhibit D hereto executed by an authorized officer of Tenant with respect to each Additional TI Allowance. In no event shall any unused TI Allowance entitle Tenant to a credit against Rent payable under this Lease.

4.7 Notwithstanding anything to the contrary in this Lease, Landlord and Tenant agreed that all Tenant Improvements shall incorporate flexible wall and lab bench systems.

4.8 To the extent assignable, Landlord will assign to Tenant all warranties obtained by Landlord in connection with the Tenant Improvements; provided, however, that notwithstanding any such assignment, Landlord shall also retain the right to enforce such warranties against the applicable contractor, at Landlord's sole option. Landlord shall use commercially reasonable efforts to enforce all construction warranties with respect to the Landlord's Work including without limitation with respect to the base building HVAC, mechanical, electrical and plumbing systems, the roof and elevators.

4.9 As used herein, "Landlord Delay" means any actual delay in completion of the Tenant Improvements resulting from (a) Landlord's failure to respond to any requests from Tenant for approvals required from Landlord under the Work Letter beyond the express time periods set forth under the Work Letter or (b) any matter expressly described in this Lease and/or the Work Letter as constituting a Landlord Delay, in each case to the extent such act or omission actually delays the completion of the Tenant Improvements beyond the date when the Tenant Improvements would have otherwise occurred and the same is not caused by Force Majeure or Tenant Delays. Notwithstanding any Landlord Delay, Tenant shall exercise commercially reasonable efforts to mitigate any Landlord Delay. If there is a Landlord Delay, then Tenant shall give Landlord written notice of such Landlord Delay (which notice will be delivered in accordance with the notice provisions of Section 39 of this Lease, with a copy via e-mail to Landlord's Authorized Representative in the Work Letter) describing in reasonable detail the facts and circumstances constituting the alleged delay and the manner in which such facts and circumstances are affecting timely completion of the Tenant Improvements.

5. Condition of Premises. Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the condition of the Premises, the Building or the Project, or with respect to the suitability of the Premises, the Building or the Project for the conduct of Tenant's business. Tenant acknowledges that (a) it is fully familiar with the condition of the Premises and agrees to take the same in its condition "as is" as of the Term Commencement Date and (b) Landlord shall have no obligation to alter, repair or otherwise prepare the Premises for Tenant's occupancy or to pay for or construct any improvements to the Premises, except for performance of the Tenant Improvements and Landlord's Work, and payment of the Base TI Allowance and, if properly requested by Tenant pursuant to the terms of the Lease,

the Additional TI Allowance. Subject to the terms and conditions of this Lease, Tenant's taking of possession of the Premises shall, except as otherwise agreed to in writing by Landlord and Tenant, conclusively establish that Landlord's Work and the Tenant Improvements are Substantially Complete, and the Premises, the Building and the Project were at such time in good, sanitary and satisfactory condition and repair.

6. Rentable Area.

6.1 The term "Rentable Area" shall reflect such areas as reasonably calculated by Landlord's architect in a manner consistent with Landlord's determination of Rentable Area for the remainder of the Building and Project, as the same may be reasonably adjusted from time to time by Landlord in consultation with Landlord's architect to reflect changes to the Premises, the Building or the Project, as applicable. Notwithstanding the foregoing to the contrary, in no event shall the Rentable Area of the Premises, the Building or the Project be deemed to have increased unless due to a change in the outer dimensions of the exterior walls of the same.

6.2 The Rentable Area of the Building is generally determined by making separate calculations of Rentable Area applicable to each floor within the Building and totaling the Rentable Area of all floors within the Building. The Rentable Area of a floor is computed by measuring to the outside finished surface of the permanent outer Building walls. The full area calculated as previously set forth is included as Rentable Area, without deduction for columns and projections or vertical penetrations, including stairs, elevator shafts, flues, pipe shafts, vertical ducts and the like, as well as such items' enclosing walls.

6.3 The term "Rentable Area," when applied to the Premises, is that area equal to the usable area of the Premises, plus an equitable allocation of Rentable Area within the Building that is not then utilized or expected to be utilized as usable area, including that portion of the Building devoted to corridors, equipment rooms, restrooms, elevator lobby, atrium and mailroom.

6.4 The Rentable Area of the Project is the total Rentable Area of all buildings within the Project.

6.5 Review of allocations of Rentable Areas as between tenants of the Building and the Project shall be made as frequently as Landlord deems appropriate, including in order to facilitate an equitable apportionment of Operating Expenses (as defined below). If such review is by a licensed architect and allocations are certified by such licensed architect as being correct, then Tenant shall be bound by such certifications, but in no event shall the Rentable Area of the Premises or the Building be subject to remeasurement except as otherwise provided in Section 6.1 hereof.

7. Rent.

7.1 Tenant shall pay to Landlord as Base Rent for the Premises, commencing on the date which is two (2) months following the Term Commencement Date (the "Rent Commencement Date"), the sums set forth in Section 2.3, subject to the rental adjustments provided in Article 8 hereof. Base Rent shall be paid in equal monthly installments as set forth in Section 2.3, subject to the rental adjustments provided in Article 8 hereof, each in advance on the first day of each and every calendar month during the Term.

7.2 In addition to Base Rent, Tenant shall pay to Landlord as additional rent ("Additional Rent") at times hereinafter specified in this Lease (a) Tenant's Adjusted Share (as defined below) of Operating Expenses (as defined below), (b) the Property Management Fee (as defined below) and (c) any other amounts that Tenant assumes or agrees to pay under the provisions of this Lease that are owed to Landlord, including any and all other sums that may become due by reason of any default of Tenant or failure on Tenant's part to comply with the agreements, terms, covenants and conditions of this Lease to be performed by Tenant, after notice and the lapse of any applicable cure periods.

7.3 Base Rent and Additional Rent shall together be denominated "Rent." Rent shall be paid to Landlord, without abatement, deduction or offset, in lawful money of the United States of America to the address set forth in Section 2.8 or to such other person or at such other place as Landlord may from time designate in writing. In the event the Term commences or ends on a day other than the first day of a calendar month, then the Rent for such fraction of a month shall be prorated for such period on the basis of the number of days in the month and shall be paid at the then-current rate for such fractional month.

7.4 Tenant's obligation to pay Rent shall not be discharged or otherwise affected by (a) any Applicable Laws now or hereafter applicable to the Premises, (b) any other restriction on Tenant's use, (c) except as expressly provided herein, any casualty or taking or (d) any other occurrence; and Tenant waives all rights now or hereafter existing to terminate or cancel this Lease or quit or surrender the Premises or any part thereof, or to assert any defense in the nature of constructive eviction to any action seeking to recover rent. Tenant's obligation to pay Rent with respect to any period or obligations arising, existing or pertaining to the period prior to the date of the expiration or earlier termination of the Term or this Lease shall survive any such expiration or earlier termination; provided, however, that nothing in this sentence shall in any way affect Tenant's obligations with respect to any other period.

8. Rent Adjustments.

8.1 Base Rent shall be subject to an annual upward adjustment of three percent (3%) of the then-current Base Rent. The first such adjustment shall become effective commencing on the first (1st) annual anniversary of the Rent Commencement Date, and subsequent adjustments shall become effective on every successive annual anniversary for so long as the initial Term of this Lease continues in effect. The amount of Base Rent during any extension period shall be governed by Article 42 hereof.

8.2 Notwithstanding anything to the contrary contained in this Lease, Tenant shall not be required to pay Base Rent for the first two (2) months of the Term (such period, the "Free Rent Period"); provided, however, that the total amount of Base Rent abated during the Free Rent Period shall not exceed Four Hundred Ninety Thousand Eight Hundred Fifty-Four Dollars ($490,854.00) (the "Free Rent Cap"). The Free Rent Cap shall not be increased as a result of any increase in Base Rent arising from Landlord's disbursement of any Additional TI Allowance, and the period for amortization of the Additional TI Allowance shall commence after the Free Rent Period ends, with payments of increased Base Rent resulting from any Additional TI Allowance commencing upon expiration of the Free Rent Period. During the Free Rent Period, Tenant shall continue to be responsible for the payment of all of Tenant's other Rent obligations under this Lease, including

all Additional Rent such as Operating Expenses, the Property Management Fee, and costs of utilities for the Premises. In the event of any Default that results in termination of this Lease, then, as part of the recovery to which Landlord is entitled pursuant to this Lease, and in addition to any other rights or remedies to which Landlord may be entitled pursuant to this Lease (including Article 31), at law or in equity, Landlord shall be entitled to the immediate recovery, as of the day immediately prior to such termination of the Lease, of the unamortized amount of Base Rent that Tenant would have paid had the Free Rent Period not been in effect.

9. Operating Expenses.

9.1 As used herein, the term "Operating Expenses" shall mean:

(a) Government impositions, including property tax costs consisting of real and personal property taxes (including amounts due under any improvement bond upon the Building or the Project (including the parcel or parcels of real property upon which the Building, the other buildings in the Project and areas serving the Building and the Project are located)) or assessments in lieu thereof imposed by any federal, state, regional, local or municipal governmental authority, agency or subdivision (each, a "Governmental Authority"); taxes on or measured by gross rentals received from the rental of space in the Project; taxes based on the square footage of the Premises, the Building or the Project, as well as any parking charges, utilities surcharges or any other costs levied, assessed or imposed by, or at the direction of, or arising from Applicable Laws or interpretations thereof, promulgated by any Governmental Authority in connection with the use or occupancy of the Project or the parking facilities serving the Project; any fee for a business license to operate an office/laboratory building; and any expenses, including the reasonable cost of attorneys or experts, reasonably incurred by Landlord in seeking reduction by the taxing authority of the applicable taxes, less tax refunds obtained as a result of an application for review thereof, excluding, however any franchise, corporate, estate, inheritance, succession, capital levy or transfer tax of Landlord, or any income, profits or revenue tax or charge upon the rent payable by Tenant under this Lease; and

(b) All other costs of any kind paid or incurred by Landlord in connection with the operation or maintenance of the Building and the Project, and costs of repairs and replacements to improvements within the Project as appropriate to maintain the Project as required hereunder; costs of utilities furnished to the Common Area; sewer fees; cable television; trash collection; cleaning, including windows; heating, ventilation and air-conditioning ("HVAC"); maintenance of landscaping and grounds; snow removal; maintenance of drives and parking areas; maintenance of the roof; maintenance of any bridge or connection between buildings at the Project; security services and devices; building supplies; maintenance or replacement of equipment utilized for operation and maintenance of the Project; license, permit and inspection fees; sales, use and excise taxes on goods and services purchased by Landlord in connection with the operation, maintenance or repair of the Building or Project systems and equipment; telephone, postage, stationery supplies and other expenses incurred in connection with the operation, maintenance or repair of the Project; all costs and expenses, as reasonably allocated to the Project, incurred in connection with providing Project amenities, including, without limitation, the shuttle service for the Project and the fitness facility currently located within the building at 1000 Washington Street; accounting, legal and other professional fees and expenses incurred in connection with the Project; costs of furniture, draperies, carpeting, landscaping supplies, snow removal and other customary and ordinary items

of personal property provided by Landlord for use in Common Area or in the Project office; Project office rent or rental value for a commercially reasonable amount of space, to the extent an office used for Project operations is maintained at the Project, plus customary expenses for such office; Permitted Capital Expenditures (as defined below); costs of complying with Applicable Laws (except to the extent such costs are incurred to remedy non-compliance as of the Term Commencement Date with Applicable Laws); costs to keep the Project in compliance with, or costs or fees otherwise required under or incurred pursuant to any CC&Rs (as defined below), including condominium fees; insurance premiums, including premiums for commercial general liability, property casualty, earthquake, terrorism and environmental coverages; portions of insured losses paid by Landlord as part of the deductible portion of a loss pursuant to the terms of insurance policies; service contracts; costs of services of independent contractors retained to do work of a nature referenced above; and costs of compensation (including employment taxes and fringe benefits) of all persons who perform regular and recurring duties connected with the day-to-day operation and maintenance of the Project, its equipment, the adjacent walks, landscaped areas, drives and parking areas, including janitors, floor waxers, window washers, watchmen, gardeners, sweepers, plow truck drivers, handymen, and engineering/maintenance/facilities personnel.

(c) Notwithstanding the foregoing, Operating Expenses shall not include any net income, franchise, capital stock, estate or inheritance taxes, or taxes that are the personal obligation of Tenant or of another tenant of the Project; any leasing commissions; expenses that relate to preparation of rental space for a tenant; Landlord's Work and other expenses of initial development and construction, including grading, paving, landscaping and decorating (as distinguished from maintenance, repair and replacement of the foregoing); legal expenses relating to other tenants; costs of repairs to the extent reimbursed by payment of insurance proceeds received by Landlord; principal, interest, and other charges and fees upon loans to Landlord or secured by a loan agreement, mortgage, deed of trust, security instrument or other loan document covering the Project or a portion thereof (collectively, "Loan Documents") (provided that interest upon a government assessment or improvement bond payable in installments shall constitute an Operating Expense under Subsection 9.1(a)); rent paid under a ground lease of the Property; salaries of executive officers of Landlord; depreciation claimed by Landlord for tax purposes (provided that this exclusion of depreciation is not intended to delete from Operating Expenses actual costs of repairs and replacements that are provided for in Subsection 9.1(b)); taxes that are excluded from Operating Expenses by the last sentence of Subsection 9.1(a); costs expressly excluded from Operating Expenses elsewhere in this Lease or that are charged to or paid by Tenant under other provisions of this Lease; professional fees and disbursements and other costs and expenses related to the ownership (as opposed to the use, occupancy, operation, maintenance or repair) of the Project; legal and accounting fees relating to (A) disputes with tenants, prospective tenants or other occupants of the Building, (B) disputes with purchasers, prospective purchasers, mortgagees or prospective mortgagees of the Building or the Property or any part of either, or (C) negotiations of leases, contracts of sale or mortgages; costs in the nature of penalties or fines arising from Landlord's gross negligence or willful misconduct; costs for services, supplies or repairs paid to any Affiliate of Landlord in excess of costs that would be payable in an "arm's length" or unrelated situation for comparable services, supplies or repairs; reserves; cost of any work or services performed for any facility other than the Building, Property or Project; cost of initial cleaning and rubbish removal from the Building or the Property to be performed before final completion of the Building or tenant space; cost of initial landscaping of the Building or the

Property; cost of the initial stock of tools and equipment for operation, repair and maintenance of the Building or the Property; cost of purchasing fine art; costs and expenses of organizing and maintaining the Landlord entity; and any item that, if included in Operating Expenses, would involve a double collection for such item by Landlord. To the extent that Tenant uses more than Tenant's Pro Rata Share of any item of Operating Expenses, Tenant shall pay Landlord for such excess in addition to Tenant's obligation to pay Tenant's Pro Rata Share of Operating Expenses (such excess, together with Tenant's Pro Rata Share, "Tenant's Adjusted Share").

(d) As used herein, "Permitted Capital Expenditures" shall mean capital expenditures incurred (i) in replacing obsolete equipment, as such term is defined on Exhibit J attached hereto, (ii) for the primary purpose of reducing Operating Expenses or (iii) required by any Governmental Authority to comply with changes in Applicable Laws that take effect after the Execution Date or to ensure continued compliance with Applicable Laws in effect as of the Execution Date, in each case amortized over the useful life thereof, as reasonably determined by Landlord, in accordance with generally accepted accounting principles.

9.2 Commencing on the earlier of (i) the Rent Commencement Date and (ii) the date Tenant occupies the Premises for the conduct of business, Tenant shall pay to Landlord on the and first day of each calendar month of the Term, as Additional Rent, (a) the Property Management Fee (as defined below) and (b) Landlord's estimate of Tenant's Adjusted Share of Operating Expenses with respect to the Building and the Project, as applicable, for such month.

(w) The "Property Management Fee" shall equal three percent (3%) of Base Rent due from Tenant. Tenant shall pay the Property Management Fee in accordance with Section 9.2 with respect to the entire Term, including any extensions of the Term, or any holdover periods, regardless of whether Tenant is obligated to pay Base Rent, Operating Expenses or any other Rent with respect to any such period or portion thereof.

(x) Within ninety (90) days after the conclusion of each calendar year (or such longer period as may be reasonably required by Landlord), Landlord shall furnish to Tenant a statement showing in reasonable detail the actual Operating Expenses, Tenant's Adjusted Share of Operating Expenses, and the cost of providing utilities to the Premises for the previous calendar year ("Landlord's Statement"). Any additional sum due from Tenant to Landlord shall be due and payable within thirty (30) days after receipt of an invoice therefor. If the amounts paid by Tenant pursuant to this Section exceed Tenant's Adjusted Share of Operating Expenses for the previous calendar year, then Landlord shall credit the difference against the Rent next due and owing from Tenant; provided that, if the Lease term has expired, Landlord shall accompany Landlord's Statement with payment for the amount of such difference.

(y) Any amount due under this Section for any period that is less than a full month shall be prorated for such fractional month on the basis of the number of days in the month.

9.3 Landlord or an affiliate(s) of Landlord may own other property(ies) adjacent to the Project or its neighboring properties (collectively, "Neighboring Properties"). In connection with Landlord performing services for the Project pursuant to this Lease, similar services may be performed by the same vendor(s) for Neighboring Properties. In such a case, Landlord shall reasonably allocate to each Building and the Project the costs for such services based upon the

ratio that the square footage of the Building or the Project (as applicable) bears to the total square footage of all of the Neighboring Properties or buildings within the Neighboring Properties for which the services are performed, unless the scope of the services performed for any building or property (including the Building and the Project) is disproportionately more or less than for others, in which case Landlord shall equitably allocate the costs based on the scope of the services being performed for each building or property (including the Building and the Project). Since the Project consists of multiple buildings, certain Operating Expenses may pertain to a particular building(s) and other Operating Expenses to the Project as a whole. Landlord reserves the right in its sole discretion to allocate any such costs applicable to any particular building within the Project to such building, and other such costs applicable to the Project to each building in the Project (including the Building), with the tenants in each building being responsible for paying their respective proportionate shares of their buildings to the extent required under their leases. Landlord shall allocate such costs to the buildings (including the Building) in a reasonable, non-discriminatory manner, and such allocation shall be binding on Tenant.

9.4 Landlord's annual statement shall be final and binding upon Tenant unless Tenant, within ninety (90) days after Tenant's receipt thereof, shall contest any item therein by giving written notice to Landlord, specifying each item contested and the reasons therefor; provided that Tenant shall in all events pay the amount specified in Landlord's annual statement, pending the results of the Independent Review and determination of the Accountant(s), as applicable and as each such term is defined below. If, during such ninety (90)-day period, Tenant in good faith questions or contests the correctness of Landlord's statement of Tenant's Adjusted Share of Operating Expenses, Landlord shall provide Tenant with reasonable access to Landlord's books and records to the extent relevant to determination of Operating Expenses, and such information as Landlord reasonably determines to be responsive to Tenant's written inquiries. In the event that, after Tenant's review of such information, Landlord and Tenant cannot agree upon the amount of Tenant's Adjusted Share of Operating Expenses, then Tenant shall have the right to have an independent public accounting firm hired by Tenant on an hourly basis and not on a contingent-fee basis (at Tenant's sole cost and expense) and approved by Landlord (which approval Landlord shall not unreasonably withhold or delay) audit and review such of Landlord's books and records for the year in question as directly relate to the determination of Operating Expenses for such year (the "Independent Review"), but not books and records of entities other than Landlord. Landlord shall make such books and records available electronically if available, or at the location where Landlord maintains them in the ordinary course of its business. Landlord need not provide copies of any books or records. Tenant shall commence the Independent Review within fifteen (15) days after the date Landlord has given Tenant access to Landlord's books and records for the Independent Review. Tenant shall complete the Independent Review and notify Landlord in writing of Tenant's specific objections to Landlord's calculation of Operating Expenses (including Tenant's accounting firm's written statement of the basis, nature and amount of each proposed adjustment) no later than sixty (60) days after Landlord has first given Tenant access to Landlord's books and records for the Independent Review. Landlord shall review the results of any such Independent Review. The parties shall endeavor to agree promptly and reasonably upon Operating Expenses taking into account the results of such Independent Review. If, as of the date that is sixty (60) days after Tenant has submitted the Independent Review to Landlord, the parties have not agreed on the appropriate adjustments to Operating Expenses, then the parties shall engage a mutually agreeable independent third party accountant with at least ten (10) years' experience in commercial real estate accounting in the Boston area (the "Accountant"). If the parties cannot

agree on the Accountant, each shall within ten (10) days after such impasse appoint an Accountant (different from the accountant and accounting firm that conducted the Independent Review) and, within ten (10) days after the appointment of both such Accountants, those two Accountants shall select a third (which cannot be the accountant and accounting firm that conducted the Independent Review). If either party fails to timely appoint an Accountant, then the Accountant the other party appoints shall be the sole Accountant. Within ten (10) days after appointment of the Accountant(s), Landlord and Tenant shall each simultaneously give the Accountants (with a copy to the other party) its determination of Operating Expenses, with such supporting data or information as each submitting party determines appropriate. Within ten (10) days after such submissions, the Accountants shall by majority vote select either Landlord 's or Tenant's determination of Operating Expenses. The Accountants may not select or designate any other determination of Operating Expenses. The determination of the Accountant(s) shall bind the parties. If the parties agree or the Accountant(s) determine that the Operating Expenses actually paid by Tenant for the calendar year in question exceeded Tenant's obligations for such calendar year, then Landlord shall, at Tenant's option, either (a) credit the excess to the next succeeding installments of estimated Additional Rent or (b) pay the excess to Tenant within thirty (30) days after delivery of such results. If the parties agree or the Accountant(s) determine that Tenant's payments of Operating Expenses for such calendar year were less than Tenant's obligation for the calendar year, then Tenant shall pay the deficiency to Landlord within thirty (30) days after delivery of such results.

9.5 Tenant shall not be responsible for Operating Expenses with respect to any time period prior to the Term Commencement Date; provided, however, that if Landlord permits Tenant to occupy the Premises for the conduct of its business prior to the Term Commencement Date, and Tenant actually occupies the Premises for such purpose, Tenant shall be responsible for Operating Expenses from such earlier date of possession (the Term Commencement Date or such earlier date, as applicable, the "Expense Trigger Date"); and provided, further, that Landlord may annualize certain Operating Expenses incurred prior to the Expense Trigger Date over the course of the budgeted year during which the Expense Trigger Date occurs, and Tenant shall be responsible for the annualized portion of such Operating Expenses corresponding to the number of days during such year, commencing with the Expense Trigger Date, for which Tenant is otherwise liable for Operating Expenses pursuant to this Lease. Tenant's responsibility for Tenant's Adjusted Share of Operating Expenses shall continue to the latest of (a) the date of termination of the Lease, (b) the date Tenant has fully vacated the Premises and (c) if termination of the Lease is due to a default by Tenant, the date of rental commencement of a replacement tenant.

9.6 Operating Expenses for the calendar year in which Tenant's obligation to share therein commences and for the calendar year in which such obligation ceases shall be prorated on a basis reasonably determined by Landlord. Expenses such as taxes, assessments and insurance premiums that are incurred for an extended time period shall be prorated based upon the time periods to which they apply so that the amounts attributed to the Premises relate in a reasonable manner to the time period wherein Tenant has an obligation to share in Operating Expenses.

9.7 Tenant shall submit to Landlord an invoice, or, in the event an invoice is not available, an itemized list, of all costs and expenses that (a) Tenant has incurred (either internally or by employing third parties) during the prior month and (b) for which Tenant reasonably believes it is entitled to reimbursements from Landlord pursuant to the terms of this Lease, within forty-five (45) days after the end of each calendar month (or such longer period as needed, so long as it is provided within the calendar year in which such amounts were incurred). Landlord shall pay any such amounts properly requested and due to Tenant under the terms of the Lease within forty-five (45) days of receipt of such invoice.

9.8 In the event that the Building or Project is less than fully occupied during a calendar year, Tenant acknowledges that Landlord may extrapolate Operating Expenses that vary depending on the occupancy of the Building or Project, as applicable, to equal Landlord's reasonable estimate of what such Operating Expenses would have been had the Building or Project, as applicable, been ninety-five percent (95%) occupied during such calendar year; provided, however, that Landlord shall not recover more than one hundred percent (100%) of Operating Expenses.

10. Taxes on Tenant's Property.

10.1 Tenant shall be solely responsible for the payment of any and all taxes levied upon (a) personal property and trade fixtures located at the Premises and (b) any gross or net receipts of or sales by Tenant, and shall pay the same at least twenty (20) days prior to delinquency.

10.2 If any such taxes on Tenant's personal property or trade fixtures are levied against Landlord or Landlord's property or, if the assessed valuation of the Building, the Property or the Project is increased by inclusion therein of a value attributable to Tenant 's personal property or trade fixtures, and if Landlord, after written notice to Tenant, pays the taxes based upon any such increase in the assessed value of the Building, the Property or the Project, then Tenant shall, upon demand, repay to Landlord the taxes so paid by Landlord.

10.3 If any improvements in or alterations to the Premises, whether owned by Landlord or Tenant and whether or not affixed to the real property so as to become a part thereof, are assessed for real property tax purposes at a valuation higher than the valuation at which improvements conforming to Landlord's building standards (the "Building Standard") in other spaces in the Building are assessed, then the real property taxes and assessments levied against Landlord or the Building, the Property or the Project by reason of such excess assessed valuation shall be deemed to be taxes levied against personal property of Tenant and shall be governed by the provisions of Section 10.2. Any such excess assessed valuation due to improvements in or alterations to space in the Project leased by other tenants at the Project shall not be included in Operating Expenses. If the records of the applicable governmental assessor's office are available and sufficiently detailed to serve as a basis for determining whether such Tenant improvements or alterations are assessed at a higher valuation than the Building Standard, then such records shall be binding on both Landlord and Tenant.

11. Security Deposit.

11.1 Tenant shall deposit with Landlord on or before the Execution Date the sum set forth in Section 2.6 (the "Security Deposit"), which sum shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease to be kept and performed by Tenant. If Tenant Defaults (as defined below) with respect to any provision of this Lease, including any provision relating to the payment of Rent, then Landlord

may (but shall not be required to) use, apply or retain all or any part of the Security Deposit for the payment of any Rent or any other sum in default, or to compensate Landlord for any other loss or damage that Landlord may suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, then Tenant shall, within ten (10) days following demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount, and Tenant's failure to do so shall be a material breach of this Lease. The provisions of this Article shall survive the expiration or earlier termination of this Lease.

11.2 In the event of bankruptcy or other debtor-creditor proceedings against Tenant, the Security Deposit shall be deemed to be applied first to the payment of Rent and other charges due Landlord for all periods prior to the filing of such proceedings.

11.3 Landlord shall deliver to any purchaser of Landlord's interest in the Premises the funds deposited hereunder by Tenant, and thereupon Landlord shall be discharged from any further liability with respect to such deposit. This provision shall also apply to any subsequent transfers.

11.4 Provided there is no default by Tenant under the Lease, then the Security Deposit, or any balance thereof, shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within sixty (60) days after the expiration or earlier termination of this Lease.

11.5 If the Security Deposit shall be in cash, Landlord shall hold the Security Deposit in an account at a banking organization selected by Landlord; provided, however, that Landlord shall not be required to maintain a separate account for the Security Deposit, but may intermingle it with other funds of Landlord. Landlord shall be entitled to all interest and/or dividends, if any, accruing on the Security Deposit. Landlord shall not be required to credit Tenant with any interest for any period during which Landlord does not receive interest on the Security Deposit.

11.6 The Security Deposit may be in the form of cash, a letter of credit or any other security instrument acceptable to Landlord in its sole discretion. Tenant may at any time, except when Tenant is in Default (as defined below), deliver a letter of credit (the "L/C Security") as the entire Security Deposit, as follows:

(a) If Tenant elects to deliver L/C Security, then Tenant shall provide Landlord, and maintain in full force and effect throughout the Term and until the date that is three (3) months after the then-current Term Expiration Date, a letter of credit in the form of Exhibit E issued by an issuer reasonably satisfactory to Landlord, in the amount of the Security Deposit, with an initial term of at least one year. Landlord may require the L/C Security to be re-issued by a different issuer at any time during the Term if Landlord reasonably believes that the issuing bank of the L/C Security is or may soon become insolvent; provided, however, Landlord shall return the existing L/C Security to the existing issuer immediately upon receipt of the substitute L/C Security. If any issuer of the L/C Security shall become insolvent or placed into FDIC receivership, then Tenant shall immediately deliver to Landlord (without the requirement of notice from Landlord) substitute L/C Security issued by an issuer reasonably satisfactory to Landlord, and otherwise conforming to the requirements set forth in this Article. As used herein with respect to the issuer of the L/C Security, "insolvent" means the determination of insolvency as made by such issuer's primary bank regulator (i.e., the state bank supervisor for state chartered banks; the OCC or OTS,

respectively, for federally chartered banks or thrifts; or the Federal Reserve for its member banks). If, at the Term Expiration Date, any Rent remains uncalculated or unpaid, then (i) Landlord shall with reasonable diligence complete any necessary calculations, (ii) Tenant shall extend the expiry date of such L/C Security from time to time as Landlord reasonably requires and (iii) in such extended period, Landlord shall not unreasonably refuse to consent to an appropriate reduction of the L/C Security. Tenant shall reimburse Landlord's legal costs (as estimated by Landlord's counsel) in handling Landlord's acceptance of L/C Security or its replacement or extension.

(b) If Tenant delivers to Landlord satisfactory L/C Security in place of the entire Security Deposit, Landlord shall remit to Tenant any cash Security Deposit Landlord previously held.

(c) Landlord may draw upon the L/C Security, and hold and apply the proceeds in the same manner and for the same purposes as the Security Deposit, if (i) an uncured Default (as defined below) exists, (ii) as of the date that is thirty (30) days before any L/C Security expires (even if such scheduled expiry date is after the Term Expiration Date) Tenant has not delivered to Landlord an amendment or replacement for such L/C Security, reasonably satisfactory to Landlord, extending the expiry date to the earlier of (1) three (3) months after the then-current Term Expiration Date or (2) the date that is one year after the then-current expiry date of the L/C Security, (iii) the L/C Security provides for automatic renewals, Landlord asks the issuer to confirm the current L/C Security expiry date, and the issuer fails to do so within ten (10) business days, (iv) Tenant fails to pay (when and as Landlord reasonably requires) any bank charges for Landlord's transfer of the L/C Security or (v) the issuer of the L/C Security ceases, or announces that it will cease, to maintain an office in the city where Landlord may present drafts under the L/C Security (and fails to permit drawing upon the L/C Security by overnight courier or facsimile). This Section does not limit any other provisions of this Lease allowing Landlord to draw the L/C Security under specified circumstances.

(d) Tenant shall not seek to enjoin, prevent, or otherwise interfere with Landlord's draw under L/C Security, even if it violates this Lease. Tenant acknowledges that the only effect of a wrongful draw would be to substitute a cash Security Deposit for L/C Security, causing Tenant no legally recognizable damage. Landlord shall hold the proceeds of any draw in the same manner and for the same purposes as a cash Security Deposit. In the event of a wrongful draw, the parties shall cooperate to allow Tenant to post replacement L/C Security simultaneously with the return to Tenant of the wrongfully drawn sums, and Landlord shall upon request confirm in writing to the issuer of the L/C Security that Landlord's draw was erroneous.

(e) If Landlord transfers its interest in the Premises, then Tenant shall at Tenant's expense, within five (5) business days after receiving a request from Landlord, deliver (and, if the issuer requires, Landlord shall consent to) an amendment to the L/C Security naming Landlord's grantee as substitute beneficiary. If the required Security Deposit changes while L/C Security is in force, then Tenant shall deliver (and, if the issuer requires, Landlord shall consent to) a corresponding amendment to the L/C Security.

12. Use.

12.1 Tenant shall use the Premises for the Permitted Use, and shall not use the Premises, or permit or suffer the Premises to be used, for any other purpose without Landlord's prior written consent, which consent Landlord may withhold in its sole and absolute discretion. Tenant shall be prohibited from using the Premises or any portion of the Property for the sale, distribution or production of marijuana.

12.2 Tenant shall not use or occupy the Premises in violation of Applicable Laws; zoning ordinances; or the certificate of occupancy (or its substantial equivalent) issued for the Building or the Project, and shall, upon five (5) days' written notice from Landlord, discontinue any use of the Premises that is declared or claimed by any Governmental Authority having jurisdiction to be a violation of any of the above, or that in Landlord's reasonable opinion violates any of the above. Tenant shall take such further actions and execute such further documents in connection with this Lease as are necessary to comply with Applicable Laws relating to privacy, personal information and data security. Tenant acknowledges that Landlord may collect certain personal information (e.g., names, email addresses and contact information) of Tenant's and its affiliates' employees (and, if applicable, subcontractors and consultants), and use such information in connection with performing Landlord's duties and obligations, and exercising its rights under this Lease. Tenant shall not retain, use or disclose any personal information received from Landlord pursuant to this Lease for any purpose other than to perform its duties and obligations, and exercise its rights under this Lease or as required by Applicable Law. In the event of a conflict between this Section and Article 38, this Section shall govern. Tenant shall comply with any direction of any Governmental Authority having jurisdiction that shall, by reason of the nature of Tenant's use or occupancy of the Premises, impose any duty upon Tenant or Landlord with respect to the Premises or with respect to the use or occupation thereof, and shall indemnify, defend (at the option of and with counsel reasonably acceptable to the indemnified party(ies)), save, reimburse and hold harmless (collectively, "Indemnify," "Indemnity" or "Indemnification," as the case may require) Landlord and its affiliates, employees, agents and contractors; and any lender, mortgagee, ground lessor or beneficiary (each, a "Lender" and, collectively with Landlord and its affiliates, employees, agents and contractors, the "Landlord Indemnitees") harmless from and against any and all demands, claims, liabilities, losses, costs, expenses, actions, causes of action, damages, suits or judgments, and all reasonable expenses (including reasonable attorneys' fees, charges and disbursements, regardless of whether the applicable demand, claim, action, cause of action or suit is voluntarily withdrawn or dismissed) incurred in investigating or resisting the same (collectively, "Claims") of any kind or nature that arise before, during or after the Term as a result of Tenant's breach of this Section. Landlord shall comply with all Applicable Laws with respect to Landlord's performance of its services under this Lease.

12.3 Tenant shall not do or permit to be done anything that will invalidate or increase the cost of any fire, environmental, extended coverage or any other insurance policy covering the Building or the Project, and shall comply with all rules, orders, regulations and requirements of the insurers of the Building and the Project, and Tenant shall promptly, upon demand, reimburse Landlord for any additional premium charged for such policy by reason of Tenant's failure to comply with the provisions of this Article.

12.4 Tenant shall keep all doors opening onto public corridors closed, except when in use for ingress and egress.

12.5 No additional locks or bolts of any kind shall be placed upon any of the doors or windows by Tenant, nor shall any changes be made to existing locks or the mechanisms thereof without Landlord's prior written consent. Tenant shall, upon termination of this Lease, return to Landlord all keys to offices and restrooms either furnished to or otherwise procured by Tenant. In the event any key so furnished to Tenant is lost, Tenant shall pay to Landlord the cost of replacing the same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such change.

12.6 No awnings or other projections shall be attached to any outside wall of the Building. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises other than Landlord's standard window coverings. Neither the interior nor exterior of any windows shall be coated or otherwise sunscreened without Landlord's prior written consent, nor shall any bottles, parcels or other articles be placed on the windowsills or items attached to windows that are visible from outside the Premises. No equipment, furniture or other items of personal property shall be placed on any exterior balcony or terrace without Landlord's prior written consent.

12.7 No sign, advertisement or notice ("Signage") shall be exhibited, painted or affixed by Tenant on any part of the Premises or the Building without Landlord's prior written consent. Signage shall conform to Landlord's design criteria established from time to time. For any Signage, Tenant shall, at Tenant's own cost and expense, (a) acquire all permits for such Signage in compliance with Applicable Laws and (b) design, fabricate, install and maintain such Signage in a first-class condition. Tenant shall be responsible for reimbursing Landlord for costs incurred by Landlord in removing any of Tenant's Signage upon the expiration or earlier termination of the Lease. Tenant shall have no right to install any exterior Signage. Interior signs on entry doors to the Premises and the directory tablet shall be inscribed, painted or affixed for Tenant by Landlord at Landlord's sole cost and expense, and shall be of a size, color and type and be located in a place acceptable to Landlord. The directory tablet shall be provided exclusively for the display of the name and location of tenants only. Tenant shall not place anything on the exterior of the corridor walls or corridor doors other than Landlord's standard lettering.

12.8 Tenant may only place equipment within the Premises with floor loading consistent with the Building's structural design unless Tenant obtains Landlord's prior written approval. Tenant may place such equipment only in a location designed to carry the weight of such equipment.

12.9 Tenant shall cause any equipment or machinery to be installed in the Premises so as to reasonably prevent sounds or vibrations therefrom from extending into the Common Area or other leased premises in the Project.

12.10 Tenant shall not (a) do or permit anything to be done in or about the Premises that shall in any way obstruct or interfere with the rights of other tenants or occupants of the Project, or injure them, (b) use or allow the Premises to be used for unlawful purposes, (c) cause, maintain or permit any nuisance or waste in, on or about the Project or (d) take any other action that would in Landlord's reasonable determination in any manner adversely affect other tenants' quiet use and enjoyment of their space or adversely impact their ability to conduct business in a professional and suitable work environment. Landlord shall be responsible for delivering the Premises in compliance with Appliable Laws including the ADA. Notwithstanding any other provision herein to the contrary, Tenant shall be responsible for all liabilities, costs and expenses arising from or in connection with the compliance of the Premises after the Term Commencement Date with the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq., and any state and local accessibility laws, codes, ordinances and rules (collectively, and together with regulations promulgated pursuant thereto, the "ADA"), and Tenant shall Indemnify the Landlord Indemnitees from and against any Claims arising from any such failure of the Premises to comply with the ADA. This Section (as well as any other provisions of this Lease dealing with Indemnification of the Landlord Indemnitees by Tenant) shall be deemed to be modified in each case by the insertion in the appropriate place of the following: "except as otherwise provided in Mass. G.L. Ter. Ed., C. 186, Section 15." For the avoidance of doubt, "Lenders" shall also include historic tax credit investors and new market tax credit investors. Landlord represents and warrants that to the actual knowledge of Landlord without any duty of investigation the Common Areas shall be in compliance with the ADA as of the Term Commencement Date. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

12.11 Tenant shall establish and maintain a chemical safety program administered by a licensed, qualified individual in accordance with the requirements of the Massachusetts Water Resources Authority ("MWRA") and any other applicable Governmental Authority. Tenant shall be solely responsible for all costs incurred in connection with such chemical safety program, and Tenant shall provide Landlord with such documentation as Landlord may reasonably require evidencing Tenant's compliance with the requirements of (a) the MWRA and any other applicable Governmental Authority with respect to such chemical safety program and (b) this Section. Notwithstanding the foregoing, Landlord shall obtain and maintain during the Term (m) any permit required by the MWRA ("MWRA Permit") and (n) a wastewater treatment operator license from the Commonwealth of Massachusetts with respect to Tenant's use of the Acid Neutralization Tank (as defined below) in the Building. Tenant shall not introduce anything into the Acid Neutralization Tank (x) in violation of the terms of the MWRA Permit, (y) in violation of Applicable Laws or (z) that would interfere with the proper functioning of the Acid Neutralization Tank. Tenant agrees to reasonably cooperate with Landlord in order to obtain the MWRA Permit and the wastewater treatment operator license. Tenant shall reimburse Landlord within ten (10) business days after demand for any costs incurred by Landlord pursuant to this Section.

13. Rules and Regulations, CC&Rs, Parking Facilities and Common Area.

13.1 Tenant shall have the non-exclusive right, in common with others, to use the Common Area in conjunction with Tenant's use of the Premises for the Permitted Use, and such use of the Common Area and Tenant's use of the Premises shall be subject to the rules and regulations adopted by Landlord and attached hereto as Exhibit F, together with such other reasonable and nondiscriminatory rules and regulations as are hereafter promulgated by Landlord in its sole and absolute discretion (the "Rules and Regulations"). Tenant shall and shall ensure that its contractors, subcontractors, employees, subtenants and invitees faithfully observe and comply with the Rules and Regulations. Landlord shall not be responsible to Tenant for the violation or non-performance by any other tenant or any agent, employee or invitee thereof of any of the Rules and Regulations.

13.2 This Lease is subject to any recorded covenants, conditions or restrictions on the Project or Property, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time (the "CC&Rs"), provided any such amendments shall not materially adversely affect Tenant or increase Tenant's obligations hereunder. Tenant shall, at its sole cost and expense, comply with the CC&Rs.

13.3 Notwithstanding anything in this Lease to the contrary, Tenant may not install any security systems (including cameras) outside the Premises or that record sounds or images outside the Premises without Landlord's prior written consent, which Landlord may withhold in its sole and absolute discretion.

13.4 Tenant acknowledges that, pursuant to that certain Transportation Access Plan Agreement dated as of October 12, 2017 (as the same may be amended or superseded, the "TAPA"), a copy of which is attached hereto as Exhibit G, Tenant shall at its sole cost take measures to promote public transportation and subsidize employee use of public transit including providing fifty percent (50%) MBTA pass subsidies for full-time and part-time employees. Tenant, at its sole cost and expense, shall also comply with the reporting requirements set forth in the TAPA at Landlord's request. Any costs incurred by Landlord in connection with the TAPA shall constitute an Operating Expense.

13.5 Tenant shall have a non-exclusive, irrevocable license to use sixteen (16) parking spaces at the parking facilities serving the Building in common on an unreserved basis with other tenants of the Project during the Term at an initial cost of Four Hundred Dollars ($400.00) per parking space per month (which rate shall be subject to periodic market adjustments), which Tenant shall pay simultaneously with payments of Base Rent as Additional Rent, commencing on the Term Commencement Date.

13.6 Tenant agrees not to unreasonably overburden the parking facilities and agrees to cooperate with Landlord and other tenants in the use of the parking facilities in accordance with and subject to the Rules and Regulations. Landlord reserves the right to determine that parking facilities are becoming overcrowded and to limit Tenant's use thereof. Upon such determination, Landlord may reasonably allocate parking spaces among Tenant and other tenants of the Building or the Project. Nothing in this Section, however, is intended to create an affirmative duty on Landlord's part to monitor parking.

13.7 Subject to the terms of this Lease including the Rules and Regulations and the rights of other tenants of the Project, Tenant shall have the non-exclusive right to access the freight loading dock during dock operating hours as set by Landlord at no additional cost, or those times arranged in advance with building management at Tenant's cost. In addition, subject to the terms of this Lease including the Rules and Regulations and the rights of other tenants in the Project, Tenant shall have the non-exclusive right to access the freight elevator 24/7 for moving freight or other items restricted from being moved in a passenger elevator, subject to the issuance of access passes by Landlord to qualified individuals, at no additional cost.

14. Project Control by Landlord.

14.1 Landlord reserves full control over the Building and the Project to the extent not inconsistent with Tenant's enjoyment of the Premises as provided by this Lease and to the extent such control will not create additional liability for Tenant under this Lease or deprive Tenant of the quiet enjoyment and use of the Premises. This reservation includes Landlord's right to subdivide the Project; convert the Building and the other buildings within the Project to condominium units; change the size of the Project by selling all or a portion of the Project or adding real property and any improvements thereon to the Project; grant easements and licenses to third parties; maintain or establish ownership of the Building separate from fee title to the Property; make additions to or reconstruct portions of the Building and the Project; install, use, maintain, repair, replace and relocate for service to the Premises and other parts of the Building or the Project (including to other tenant premises) pipes, ducts, conduits, wires and appurtenant fixtures, wherever located in the Premises, the Building or elsewhere at the Project or delegate such rights to other tenants performing work in their respective premises; and alter or relocate any other Common Area or facility, including private drives, lobbies, elevators, loading areas, entrances and landscaping; provided, however, that such rights shall be exercised in a way that does not materially adversely affect Tenant's beneficial use and occupancy of the Premises, including the Permitted Use and Tenant's access to the Premises, and in a way that does not reduce Tenant's useable square footage. Tenant acknowledges that Landlord specifically reserves the right to allow the exclusive use of corridors and restroom facilities located on specific floors to one or more tenants occupying such floors; provided, however, that Tenant shall not be deprived of the use of the corridors reasonably required to serve the Premises or of restroom facilities serving the floor upon which the Premises are located. Tenant acknowledges that the Building is under development, that there may be construction in the Common Areas and other tenant premises in the Building from time to time during the Term, and that Landlord shall not be liable for any rent abatement or compensation by reason of inconvenience, annoyance, or loss of business resulting from such construction. Further, Tenant shall be responsible for taking any precautions Tenant deems necessary with respect to its business operations in the Premises to mitigate construction impacts such as sound and vibration from other parts of the Project.

14.2 Possession of areas of the Premises necessary for utilities, services, safety and operation of the Building is reserved to Landlord.

14.3 Tenant shall, at Landlord's request, promptly execute such further documents as may be reasonably appropriate to assist Landlord in the performance of its obligations hereunder; provided that Tenant need not execute any document that creates additional liability for Tenant or that deprives Tenant of the quiet enjoyment and use of the Premises, as provided for in this Lease.

14.4 Landlord may, at any and all reasonable times during business hours (or during non-business hours, if (a) with respect to Subsections 14.4(u) through 14.4(y), Tenant so requests, and (b) with respect to Subsection 14.4(z), if Landlord so requests), and upon twenty-four (24) hours' prior notice (which may be oral or by email to the office manager or other Tenant-designated individual at the Premises; but provided that no time restrictions shall apply or advance notice be required if an emergency necessitates immediate entry), enter the Premises to (u) inspect the same and to determine whether Tenant is in compliance with its obligations hereunder, (v) supply any service Landlord is required to provide hereunder, (w) alter, improve or repair any

portion of the Building other than the Premises for which access to the Premises is reasonably necessary, (x) post notices of nonresponsibility, (y) access the telephone equipment, electrical substation and fire risers and (z) show the Premises to prospective tenants during the final year of the Term and current and prospective purchasers and lenders at any time, or permit a future tenant of the Premises to inspect and measure the Premises in anticipation of such tenant's future occupancy of the Premises. Notwithstanding the foregoing, Tenant shall have the right to have a representative of Tenant accompany Landlord at such times; provided, however, if Tenant's representative is not available or does not elect to accompany Landlord at the times that Landlord has requested access, then such unavailability shall not prohibit or otherwise restrict Landlord's access, and Landlord may access the Premises with or without Tenant's representative present. In connection with any such alteration, improvement or repair as described in Subsection 14.4(w), Landlord may erect in the Premises or elsewhere in the Project scaffolding and other structures reasonably required for the alteration, improvement or repair work to be performed. In no event shall Tenant's Rent abate as a result of Landlord's activities pursuant to this Section; provided, however, that all such activities shall be conducted in such a manner so as to cause as little interference to Tenant as is reasonably possible. Landlord shall at all times retain a key with which to unlock all of the doors in the Premises. If an emergency necessitates immediate access to the Premises, Landlord may use whatever force is necessary to enter the Premises, and any such entry to the Premises shall not constitute a forcible or unlawful entry to the Premises, a detainer of the Premises, or an eviction of Tenant from the Premises or any portion thereof.

15. Quiet Enjoyment. Landlord covenants that Tenant, upon paying the Rent and performing its obligations contained in this Lease, may peacefully and quietly have, hold and enjoy the Premises, free from any claim by Landlord or persons claiming under Landlord, but subject to all of the terms and provisions hereof, provisions of Applicable Laws and rights of record to which this Lease is or may become subordinate. This covenant is in lieu of any other quiet enjoyment covenant, either express or implied.

16. Utilities and Services.

16.1 Commencing on the Term Commencement Date, Tenant shall pay for all water (including the cost to service, repair and replace reverse osmosis, de-ionized and other treated water), gas, heat, light, power, telephone, internet service, cable television, other telecommunications and other utilities supplied to the Premises, together with any fees, surcharges and taxes thereon. If any such utility is not separately metered to Tenant, Tenant shall pay Tenant's Adjusted Share of all charges of such utility jointly metered with other premises as Additional Rent or, in the alternative, Landlord may, at its option, monitor the usage of such utilities by Tenant and charge Tenant with the cost of purchasing, installing and monitoring such metering equipment, which cost shall be paid by Tenant as Additional Rent.

16.2 Landlord may base its bills for utilities on reasonable estimates; provided that Landlord adjusts such billings as part of the next Landlord's Statement (or more frequently, as determined by Landlord) to reflect the actual cost of providing utilities to the Premises. To the extent that Tenant uses more than Tenant's Pro Rata Share of any utilities, then Tenant shall pay Landlord for Tenant's Adjusted Share of such utilities to reflect such excess. In the event that the Building or Project is less than fully occupied during a calendar year, Tenant acknowledges that Landlord may extrapolate utility usage that varies depending on the occupancy of the Building or Project (as applicable) to equal Landlord's reasonable estimate of what such utility usage would have been had the Building or Project, as applicable, been ninety-five percent (95%) occupied during such calendar year; provided, however, that Landlord shall not recover more than one hundred percent (100%) of the cost of such utilities.

16.3 Landlord shall not be liable for, nor shall any eviction of Tenant result from, the failure to furnish any utility or service, whether or not such failure is caused by Force Majeure (as defined below) or, to the extent permitted by Applicable Laws, Landlord's negligence. In the event of such failure, Tenant shall not be entitled to termination of this Lease or any abatement or reduction of Rent, nor shall Tenant be relieved from the operation of any covenant or agreement of this Lease. Notwithstanding anything to the contrary in this Lease, if, for more than five (5) consecutive business days following written notice to Landlord and as a direct result of Landlord's gross negligence or willful misconduct (and except to the extent that such failure is caused by any other factor, including any action or inaction of a Tenant Party (as defined below)), the provision of HVAC or other utilities to all or a material portion of the Premises that Landlord must provide pursuant to this Lease is interrupted (a "Material Services Failure"), then Base Rent and Tenant's Adjusted Share of Operating Expenses (or, to the extent that less than all of the Premises are affected, a proportionate amount (based on the Rentable Area of the Premises that is rendered unusable) of Base Rent and Tenant's Adjusted Share of Operating Expenses) shall thereafter be abated until the Premises are again usable by Tenant for the Permitted Use; provided, however, that, if Landlord is diligently pursuing the restoration of such HVAC and other utilities and Landlord provides substitute HVAC and other utilities reasonably suitable for Tenant's continued use and occupancy of the Premises for the Permitted Use (e.g., supplying potable water or portable air conditioning equipment), then neither Base Rent nor Tenant's Adjusted Share of Operating Expenses shall be abated. During any Material Services Failure, Tenant will cooperate with Landlord to arrange for the provision of any interrupted utility services on an interim basis via temporary measures until final corrective measures can be accomplished, and Tenant will permit Landlord the necessary access to the Premises to remedy such Material Service Failure. In the event of any interruption of HVAC or other utilities that Landlord must provide pursuant to this Lease, regardless of the cause, Landlord shall diligently pursue the restoration of such HVAC and other utilities. Notwithstanding anything in this Lease to the contrary, but subject to Article 24 (which shall govern in the event of a casualty), the provisions of this Section shall be Tenant's sole recourse and remedy in the event of an interruption of HVAC or other utilities to the Premises, including related to Section 16.8.

16.4 Tenant shall pay for, prior to delinquency of payment therefor, any utilities and services that may be furnished to the Premises during or, if Tenant occupies the Premises after the expiration or earlier termination of the Term, after the Term, beyond those utilities provided by Landlord, including telephone, internet service, cable television and other telecommunications, together with any fees, surcharges and taxes thereon. Upon Landlord's demand, utilities and services provided to the Premises that are separately metered shall be paid by Tenant directly to the supplier of such utilities or services.

16.5 Tenant shall not, without Landlord's prior written consent, use any device in the Premises (including data processing machines) that will in any way (a) increase the amount of ventilation, air exchange, gas, steam, electricity or water required or consumed in the Premises based upon Tenant's Pro Rata Share of the Building or Project (as applicable) beyond the existing capacity of the Building or the Project usually furnished or supplied for the Permitted Use or (b) exceed Tenant's Pro Rata Share of the Building's or Project's (as applicable) capacity to provide such utilities or services.

16.6 If Tenant shall require utilities or services in excess of those usually furnished or supplied for tenants in similar spaces in the Building or the Project by reason of Tenant's equipment or extended hours of business operations, then Tenant shall first procure Landlord's consent for the use thereof, which consent Landlord may condition upon the availability of such excess utilities or services, and Tenant shall pay as Additional Rent an amount equal to the cost of providing such excess utilities and services.

16.7 Landlord shall bring cold water to the point of connection with the Premises and shall provide hot and cold water in Common Area for lavatory and landscaping purposes only, which water shall be from the local municipal or similar source; provided, however, that if Landlord determines that Tenant requires, uses or consumes water provided to the Common Area for any purpose other than ordinary lavatory purposes, Landlord may install a water meter ("Tenant Water Meter") and thereby measure Tenant's water consumption for all purposes. Tenant shall pay Landlord for the costs of any Tenant Water Meter and the installation and maintenance thereof during the Term. If Landlord installs a Tenant Water Meter, Tenant shall pay for water consumed, as shown on such meter, as and when bills are rendered. If Tenant fails to timely make such payments, Landlord may pay such charges and collect the same from Tenant. Any such costs or expenses incurred or payments made by Landlord for any of the reasons or purposes stated in this Section shall be deemed to be Additional Rent payable by Tenant and collectible by Landlord as such.

16.8 Landlord reserves the right, on at least twenty-four (24) hours' advance notice (which may be orally or by email) to stop service of the elevator, plumbing, ventilation, air conditioning and utility systems, when Landlord deems necessary or desirable, or due to accident or emergency (in which case no notice shall be required), or the need to make repairs, alterations or improvements, until such repairs, alterations or improvements shall have been completed, and except as provided in Section 16.3, Landlord shall further have no responsibility or liability for failure to supply elevator facilities, plumbing, ventilation, air conditioning or utility service when prevented from doing so by Force Majeure (as defined below) or, to the extent permitted by Applicable Laws, Landlord's negligence (but not gross negligence). Without limiting the foregoing, it is expressly understood and agreed that any covenants on Landlord's part to furnish any service pursuant to any of the terms, covenants, conditions, provisions or agreements of this Lease, or to perform any act or thing for the benefit of Tenant, shall not be deemed breached if Landlord is unable to furnish or perform the same by virtue of Force Majeure or, to the extent permitted by Applicable Laws, Landlord's negligence (but not gross negligence).

16.9 Landlord will install a back-up generator and connect the Generator to the Premises' emergency electrical panel (the "Generator"). Tenant shall be entitled to use up to its proportionate share (after deducting any power from the Generator required for the Common Area) of power from the Generator on a non-exclusive basis with other tenants in the Building in accordance with the Design Manual attached to Exhibit F hereto. The cost of maintaining, repairing and replacing the Generator shall constitute Operating Expenses. Landlord expressly disclaims any warranties with regard to the Generator or the installation thereof, including any

warranty of merchantability or fitness for a particular purpose. Landlord shall maintain the Generator and any equipment connecting the Generator to Tenant's automatic transfer switch in good working condition, provided, however, that Tenant shall be solely responsible, at Tenant's sole cost and expense, (and Landlord shall not be liable) for maintaining and operating Tenant's automatic transfer switch and the distribution of power from Tenant's automatic transfer switch throughout the Premises, and provided further that Landlord shall not be liable for any failure to make any repairs or to perform any maintenance of the Generator that is an obligation of Landlord unless and except to the extent that Landlord willfully fails to make such repairs or perform such maintenance and such failure persists for an unreasonable time after Tenant provides Landlord with written notice of the need for such repairs or maintenance. Upon receipt of such written notice, Landlord shall promptly commence to cure such failure and shall diligently prosecute the same to completion in accordance with Section 31.13. The provisions of Section 16.3 shall apply to the Generator.

16.10 For the Premises, Landlord shall (a) maintain and operate the base building HVAC systems (not including supplemental units exclusively serving the Premises) used for the Permitted Use only ("Base HVAC") and (b) furnish HVAC as reasonably required (except as this Lease otherwise provides or as to any special requirements that arise from Tenant's particular use of the Premises) for reasonably comfortable occupancy of the Premises twenty-four (24) hours a day, every day during the Term, subject to casualty, eminent domain or as otherwise specified in this Article. Notwithstanding anything to the contrary in this Section, Landlord shall have no liability, and Tenant shall have no right or remedy, on account of any interruption or impairment in HVAC services, except as provided in Section 16.2.

16.11 For any utilities serving the Premises for which Tenant is billed directly by such utility provider, Tenant agrees to furnish to Landlord (a) within thirty (30) days after Landlord's request, any utility usage information reasonably requested by Landlord, and (b) within thirty (30) days after each calendar year during the Term, authorization to allow Landlord to access Tenant's usage information necessary for Landlord to complete an ENERGY STAR® Statement of Performance (or similar comprehensive utility usage report (e.g., related to Labs 21), if requested by Landlord) and any other information reasonably requested by Landlord for the immediately preceding year; and Tenant shall comply with any other energy usage or consumption requirements required by Applicable Laws. Tenant shall retain records of utility usage at the Premises, including invoices and statements from the utility provider, for at least sixty (60) months, or such other period of time as may be requested by Landlord. Tenant acknowledges that any utility information for the Premises, the Building and the Project may be shared with third parties, including Landlord's consultants and Governmental Authorities. In the event that Tenant fails to comply with this Section, Tenant hereby authorizes Landlord to collect utility usage information directly from the applicable utility providers, and Tenant shall pay Landlord a fee of Five Hundred Dollars ($500) per month to collect such utility usage information. In addition to the foregoing, Tenant shall comply with all Applicable Laws related to the disclosure and tracking of energy consumption at the Premises. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

16.12 The Building shall be serviced by a common laboratory waste sanitary sewer connection from the pH neutralization room located in the third floor mechanical room of the Building to the municipal sewer line in the street adjacent to the Building. There shall be a separate acid neutralization tank (the "Acid Neutralization Tank") that is connected to the Premises, as well as to other premises in the Building. Tenant shall install sampling ports in lab waste plumbing. Tenant shall have a non-exclusive right to use its proportionate share of the Acid Neutralization Tank in accordance with Applicable Laws in common with other tenants of the Building. Tenant, as a portion of its Operating Expenses, shall reimburse Landlord for all costs, charges and expenses incurred by Landlord from time to time in connection with or arising from the operation, use, maintenance, repair or refurbishment of the Acid Neutralization Tank, including all clean-up costs relating to the Acid Neutralization Tank (collectively, "Tank Costs"); provided, however, that if the Acid Neutralization Tank is being used by other tenant(s) or occupant(s) of the Building at any time during the Term, then, during such time period, Tenant shall only be obligated to pay its proportionate share of the Tank Costs. Notwithstanding the foregoing, in the event the Acid Neutralization Tank is damaged or repairs to the Acid Neutralization Tank are required as a result of the improper use of the Acid Neutralization Tank by Tenant, Tenant shall be responsible for one hundred percent (100%) of the cost of any repairs or replacement required as a result of such improper use by Tenant, regardless of whether the Acid Neutralization Tank is then being used by other tenant(s) or occupant(s) of the Building. Similarly, if the Acid Neutralization Tank is damaged, or if repairs to the Acid Neutralization Tank are required as a result of the improper use of the Acid Neutralization Tank by other tenant(s) or occupant(s) of the Building, then Tenant shall have no responsibility for the cost of any repairs or replacements required as a result of such improper use by such other tenant(s) or occupant(s). Tenant shall Indemnify the Landlord Indemnitees from and against any and all Claims, including (a) diminution in value of the Project or any portion thereof, (b) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Project, (c) damages arising from any adverse impact on marketing of space in the Project or any portion thereof and (d) sums paid in settlement of Claims that arise during or after the Term as a result of Tenant's improper use of the Acid Neutralization Tank. This Indemnification by Tenant includes costs incurred in connection with any investigation of site conditions or any clean-up, remediation, removal or restoration required by any Governmental Authority arising from Tenant's improper use of the Acid Neutralization Tank.

17. Alterations.

17.1 Tenant shall make no alterations, additions or improvements in or to the Premises or engage in any construction, demolition, reconstruction, renovation or other work (whether major or minor) of any kind in, at or serving the Premises ("Alterations") without Landlord's prior written approval, which approval Landlord shall not unreasonably withhold, condition or delay; provided, however, that, in the event any proposed Alteration affects (a) any structural portions of the Building, including exterior walls, the roof, the foundation or slab, foundation or slab systems (including barriers and subslab systems) or the core of the Building, (b) the exterior of the Building or (c) any Building systems, including elevator, plumbing, HVAC, electrical, security, life safety and power, then Landlord may withhold its approval in its sole and absolute discretion. Notwithstanding the foregoing, Tenant may make strictly cosmetic changes to the Premises that do not require any permits or more than three (3) total contractors and subcontractors ("Cosmetic Alterations") without Landlord's consent; provided that (y) the cost of any Cosmetic Alterations does not exceed One Hundred Thousand Dollars ($100,000) in the aggregate, (z) such Cosmetic Alterations do not (i) require any structural or other substantial modifications to the Premises, (ii) require any changes to or adversely affect the Building systems, (iii) affect the exterior of the Building or (iv) trigger any requirement under Applicable Laws that would require Landlord to

make any alteration or improvement to the Premises, the Building or the Project. Tenant shall give Landlord at least ten (10) days' prior written notice of any Cosmetic Alterations. Tenant shall, in making any Alterations, use only those architects, contractors, suppliers and mechanics of which Landlord has given prior written approval and Landlord may refuse to approve any architects, consultants, engineers, contractors, subcontractors or material suppliers that Landlord reasonably believes could cause labor disharmony or may not have sufficient experience, in Landlord's reasonable opinion, to perform work in an occupied Class "A" laboratory research building and in lab areas. In seeking Landlord's approval, Tenant shall provide Landlord, at least thirty (30) days in advance of the desired commencement date of any proposed construction, with plans, specifications, bid proposals, certified stamped engineering drawings and calculations by Tenant's engineer of record or architect of record (including connections to the Building's structural system, modifications to the Building's envelope, non-structural penetrations in slabs or walls, and modifications or tie-ins to life safety systems), work contracts, requests for laydown areas and such other information concerning the nature and cost of the Alterations as Landlord may reasonably request, provided that Tenant shall not commence any such Alterations that require Landlord's consent unless and until Tenant has received the written approval of Landlord. In no event shall Tenant use or Landlord be required to approve any architects, consultants, contractors, subcontractors or material suppliers that Landlord reasonably believes could cause labor disharmony or may not have sufficient experience, in Landlord's reasonable opinion, to perform work in an occupied Class "A" laboratory research building and in lab areas.

17.2 Tenant shall not construct or permit to be constructed partitions or other obstructions that might interfere with free access to mechanical installation or service facilities of the Building or with other tenants' components located within the Building, or interfere with the moving of Landlord's equipment to or from the enclosures containing such installations or facilities.

17.3 Tenant shall accomplish any work performed on the Premises or the Building in such a manner as to permit any life safety systems to remain fully operable at all times.

17.4 Any work performed on the Premises, the Building or the Project by Tenant or Tenant's contractors shall be done at such times and in such manner as Landlord may from time to time designate. Tenant covenants and agrees that all work done by Tenant or Tenant's contractors shall be performed in full compliance with Applicable Laws. Within thirty (30) days after completion of any Alterations, Tenant shall provide Landlord with complete "as built" drawing print sets and electronic CADD files on disc (or files in such other current format in common use as Landlord reasonably approves or requires) showing any changes in the Premises, as well as a commissioning report prepared by a licensed, qualified commissioning agent hired by Tenant and approved by Landlord for all new or affected mechanical, electrical and plumbing systems. Any such "as built" plans shall show the applicable Alterations as an overlay on the Building as-built plans; provided that Landlord provides the Building "as built" plans to Tenant.

17.5 Before commencing any Alterations, Tenant shall give Landlord at least thirty (30) days' prior written notice of the proposed commencement of such work and the names and addresses of the persons supply labor or materials therefor so that Landlord may enter the Premises to post and keep posted thereon and therein notices or to take any further action that Landlord may reasonably deem proper for the protection of Landlord's interest in the Project.

17.6 Tenant shall repair any damage to the Premises arising from Tenant's removal of any property from the Premises. During any such restoration period, Tenant shall pay Rent to Landlord as provided herein as if such space were otherwise occupied by Tenant. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

17.7 The Premises plus any Alterations; Signage; Tenant Improvements; attached equipment, decorations, fixtures and trade fixtures; movable laboratory casework and related appliances (but only to the extent installed as part of the Tenant Improvements); and other additions and improvements attached to or built into the Premises made by either of the parties (including all floor and wall coverings; paneling; sinks and related plumbing fixtures; laboratory benches; exterior venting fume hoods; walk-in freezers and refrigerators; ductwork; conduits; electrical panels and circuits; attached machinery and equipment; and built-in furniture and cabinets, in each case, together with all additions and accessories thereto), shall (unless, prior to such construction or installation, Landlord elects otherwise in writing) at all times remain the property of Landlord, shall remain in the Premises and shall (unless, prior to construction or installation thereof, Landlord elects otherwise in writing) be surrendered to Landlord upon the expiration or earlier termination of this Lease. For the avoidance of doubt, the items listed on Exhibit H attached hereto (which Exhibit H may be updated by Tenant from and after the Term Commencement Date, subject to Landlord's written consent) constitute Tenant's property and shall be removed by Tenant upon the expiration or earlier termination of the Lease. Further, Landlord hereby agrees that Tenant shall not be required to remove any standard office or lab improvements or code compliant cabling from the Premises upon the expiration or earlier termination of this Lease.

17.8 Notwithstanding any other provision of this Article to the contrary, in no event shall Tenant remove any improvement from the Premises in which any Lender has a security interest or as to which Landlord contributed payment, including the Tenant Improvements, without Landlord's prior written consent, which consent Landlord may withhold in its sole and absolute discretion.

17.9 If Tenant shall fail to remove any of its property from the Premises prior to the expiration or earlier termination of this Lease, then Landlord may, at its option, remove the same in any manner that Landlord shall choose and store such effects without liability to Tenant for loss thereof or damage thereto, and Tenant shall pay Landlord, upon demand, any costs and expenses incurred due to such removal and storage or Landlord may, at its sole option and without notice to Tenant, sell such property or any portion thereof at private sale and without legal process for such price as Landlord may obtain and apply the proceeds of such sale against any (a) amounts due by Tenant to Landlord under this Lease and (b) any expenses incident to the removal, storage and sale of such personal property.

17.10 Except with respect to the Tenant Improvements which shall be subject to the terms of Section 4.4, the Tenant shall pay to Landlord the actual out-of-pocket expenses incurred by Landlord in connection with the project management of any Alterations, including costs incurred for plan review, engineering review, coordination, scheduling and supervision thereof. Tenant shall reimburse Landlord for any extra expenses incurred by Landlord by reason of faulty work done by Tenant or its contractors, or by reason of delays arising from such faulty work, or by reason of inadequate clean-up.

17.11 Within sixty (60) days after final completion of any Alterations performed by Tenant with respect to the Premises, Tenant shall submit to Landlord documentation showing the amounts expended by Tenant with respect to such Alterations, together with supporting documentation reasonably acceptable to Landlord.

17.12 Tenant shall take, and shall cause its contractors to take, commercially reasonable steps to protect the Premises during the performance of any Alterations, including covering or temporarily removing any window coverings so as to guard against dust, debris or damage.

17.13 Tenant shall require its contractors and subcontractors performing work on the Premises to name Landlord, BioMed Realty, L.P. and BioMed Realty III LP, and their respective officers, employees, directors, representatives, agents, general partners, members, subsidiaries, affiliates and Lenders (collectively with Landlord, the "Landlord Parties") as additional insureds on their respective insurance policies.

18. Repairs and Maintenance.

18.1 Landlord shall repair and maintain in good condition and repair the structural and exterior portions and Common Area of the Building and the Project, including roofing and covering materials; foundations (excluding any architectural slabs, but including any structural slabs); exterior walls; plumbing; fire sprinkler systems (if any); base Building HVAC systems up to the first damper or isolation valve that serves the Premises (for purposes of clarity, the portion of the HVAC system that includes such first damper or isolation valve and extends into and through the Premises, and any supplemental HVAC serving the Premises shall not be part of the base Building HVAC and shall be Tenant's obligation to maintain and repair pursuant to Section 18.2 below); elevators; the Generator (excluding the automatic transfer switch); and base Building electrical systems installed or furnished by Landlord.

18.2 Except for services of Landlord, if any, required by Section 18.1, Tenant shall at Tenant's sole cost and expense maintain and keep the Premises (including but not limited to the portion of the HVAC system that includes the first damper or isolation valve and extends into and through the Premises, any supplemental HVAC serving the Premises, and any other systems or equipment exclusively serving the Premises) and every part thereof in good condition and repair, and shall, within ten (10) days after receipt of written notice from Landlord, provide to Landlord any maintenance records that Landlord reasonably requests. Tenant shall, upon the expiration or sooner termination of the Term, surrender the Premises to Landlord in the condition required to be maintained during the Term, ordinary wear and tear excepted (unless required to restore or repair hereunder following a casualty event); and shall, at Landlord's request and Tenant's sole cost and expense, remove all telephone and data systems, wiring (other than code compliant cabling) and equipment from the Premises, and repair any damage to the Premises caused thereby. Landlord shall have no obligation to alter, remodel, improve, repair, decorate or paint the Premises or any part thereof, other than pursuant to the terms and provisions of this Lease, including the Work Letter.

18.3 Throughout the Term of the Lease, Tenant shall, at Tenant's sole cost and expense, maintain copies of all service contracts, service, repair and maintenance records, and inspection reports on all equipment installed by or maintained by Tenant. Tenant shall, within ten (10) days after receipt of written notice from Landlord, provide to Landlord any maintenance records, service or inspection reports that Landlord reasonably requests. Upon surrender of the Premises upon the expiration or earlier termination of this Lease, Tenant shall provide Landlord with all original equipment manufacturer (OEM) manuals for any equipment installed and not removed by Tenant. Landlord shall also have the right to perform an audit of the equipment serving the Premises in the form of a facilities condition assessment or similar report at Tenant's cost. To the extent such audit recommends corrective action, Tenant shall promptly perform such corrective action as part of its repair and maintenance obligations.

18.4 Landlord shall not be liable for any failure to make any repairs or to perform any maintenance that is Landlord's obligation pursuant to this Lease unless such failure shall persist for an unreasonable time after Tenant provides Landlord with written notice of the need of such repairs or maintenance. Tenant waives its rights under Applicable Laws now or hereafter in effect to make repairs at Landlord's expense.

18.5 If any excavation shall be made upon land adjacent to or under the Building, or shall be authorized to be made, Tenant shall afford to the person causing or authorized to cause such excavation, license to enter the Premises for the purpose of performing such work as such person shall deem necessary or desirable to preserve and protect the Building from injury or damage and to support the same by proper foundations, without any claim for damages or liability against Landlord and without reducing or otherwise affecting Tenant's obligations under this Lease.

18.6 Intentionally omitted.

18.7 This Article relates to repairs and maintenance arising in the ordinary course of operation of the Building and the Project. In the event of a casualty described in Article 24, Article 24 shall apply in lieu of this Article. In the event of eminent domain, Article 25 shall apply in lieu of this Article.

18.8 Costs incurred by Landlord pursuant to this Article shall constitute Operating Expenses, subject to the provisions of Article 9.

19. Liens.

19.1 Subject to the immediately succeeding sentence, Tenant shall keep the Premises, the Building and the Project free from any liens arising from work or services performed, materials furnished to or obligations incurred by Tenant. Tenant further covenants and agrees that any mechanic's or materialman's lien filed against the Premises, the Building or the Project for work or services claimed to have been done for, or materials claimed to have been furnished to, or obligations incurred by Tenant shall be discharged or bonded by Tenant within ten (10) days after Tenant's receipt of notice of or obtaining actual knowledge of the filing thereof, at Tenant's sole cost and expense.

19.2 Should Tenant fail to discharge or bond against any lien of the nature described in Section 19.1, Landlord may, at Landlord's election, pay such claim or post a statutory lien bond or otherwise provide security to eliminate the lien as a claim against title, and Tenant shall immediately reimburse Landlord for the costs thereof as Additional Rent. Tenant shall Indemnify the Landlord Indemnitees from and against any Claims arising from any such liens, including any administrative, court or other legal proceedings related to such liens.

19.3 In the event that Tenant leases or finances the acquisition of office equipment, furnishings or other personal property of a removable nature utilized by Tenant in the operation of Tenant's business, Tenant warrants that any Uniform Commercial Code financing statement shall, upon its face or by exhibit thereto, indicate that such financing statement is applicable only to removable personal property of Tenant located within the Premises. In no event shall the address of the Premises, the Building or the Project be furnished on a financing statement without qualifying language as to applicability of the lien only to removable personal property located in an identified suite leased by Tenant. Should any holder of a financing statement record or place of record a financing statement that appears to constitute a lien against any interest of Landlord or against equipment that may be located other than within an identified suite leased by Tenant, Tenant shall, within ten (10) days after filing such financing statement, cause (a) a copy of the lender security agreement or other documents to which the financing statement pertains to be furnished to Landlord to facilitate Landlord's ability to demonstrate that the lien of such financing statement is not applicable to Landlord's interest and (b) Tenant's lender to amend such financing statement and any other documents of record to clarify that any liens imposed thereby are not applicable to any interest of Landlord in the Premises, the Building or the Project.

20. Estoppel Certificate. Tenant shall, within ten (10) days after receipt of written notice from Landlord, execute, acknowledge and deliver a statement in writing substantially in the form attached to this Lease as Exhibit I, or on any other form reasonably requested by a current or proposed Lender or encumbrancer or proposed purchaser, (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect) and the dates to which rental and other charges are paid in advance, if any, (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (c) setting forth such further information with respect to this Lease or the Premises as may be requested thereon. Any such statements may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the Property. Tenant's failure to deliver any such statement within such the prescribed time shall, at Landlord's option, constitute a Default (as defined below) under this Lease, and, in any event, shall be binding upon Tenant that the Lease is in full force and effect and without modification except as may be represented by Landlord in any certificate prepared by Landlord and delivered to Tenant for execution.

21. Hazardous Materials.

21.1 Tenant shall not cause or permit any Hazardous Materials (as defined below) to be brought upon, kept or used in or about the Premises, the Building or the Project in violation of Applicable Laws by Tenant or any of its employees, agents, contractors or invitees (collectively with Tenant, each a "Tenant Party"). If (a) Tenant breaches such obligation, (b) the presence of Hazardous Materials as a result of such a breach results in contamination of the Project, any portion thereof, or any adjacent property, (c) contamination of the Premises otherwise occurs during the Term or any extension or renewal hereof or holding over hereunder (other than if such contamination results from (i) migration of Hazardous Materials from outside the Premises not arising from the acts or omissions of a Tenant Party or coming from property owned or leased by

a Tenant Party or (ii) to the extent such contamination arises directly from Landlord's gross negligence or willful misconduct) or (d) contamination of the Project occurs as a result of Hazardous Materials that are placed on or under or are released into the Project by a Tenant Party, then Tenant shall Indemnify the Landlord Indemnitees from and against any and all Claims of any kind or nature, including (w) diminution in value of the Project or any portion thereof, (x) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Project, (y) damages arising from any adverse impact on marketing of space in the Project or any portion thereof and (z) sums paid in settlement of Claims that arise before, during or after the Term as a result of such breach or contamination. This Indemnification by Tenant includes costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any Governmental Authority because of Hazardous Materials present in the air, soil or groundwater above, on, under or about the Project. Without limiting the foregoing, if the presence of any Hazardous Materials in, on, under or about the Project, any portion thereof or any adjacent property caused or permitted by any Tenant Party results in any contamination of the Project, any portion thereof or any adjacent property, then Tenant shall promptly take all actions at its sole cost and expense as are necessary to return the Project, any portion thereof or any adjacent property to its respective condition existing prior to the time of such contamination; provided that Landlord's written approval of such action shall first be obtained, which approval Landlord shall not unreasonably withhold; and provided, further, that it shall be reasonable for Landlord to withhold its consent if such actions could have a material adverse long-term or short-term effect on the Project, any portion thereof or any adjacent property. Tenant's obligations under this Section shall not be affected, reduced or limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant under workers' compensation acts, disability benefit acts, employee benefit acts or similar legislation. Landlord hereby agrees to hold Tenant harmless from and against any and all loss, cost, damage, claim or expense (including legal fees) incurred in connection with or arising out of or relating in any way to the presence of Hazardous Materials at the Property as of the Execution Date, unless placed on the Property by a Tenant Party. The provisions of the foregoing sentence shall survive the expiration or earlier termination of this Lease.

21.2 Landlord acknowledges that it is not the intent of this Article to prohibit Tenant from operating its business for the Permitted Use. Tenant may operate its business according to the custom of Tenant's industry so long as the use or presence of Hazardous Materials is strictly and properly monitored in accordance with Applicable Laws. As a material inducement to Landlord to allow Tenant to use Hazardous Materials in connection with its business, Tenant agrees to deliver to Landlord (a) a list identifying each type of Hazardous Material to be present at the Premises that is subject to regulation under any environmental Applicable Laws in the form of a Tier II form pursuant to Section 312 of the Emergency Planning and Community Right-to-Know Act of 1986 (or any successor statute) or any other form reasonably requested by Landlord, (b) a list of any and all approvals or permits from Governmental Authorities required in connection with the presence of such Hazardous Material at the Premises and (c) correct and complete copies of (i) notices of violations of Applicable Laws related to Hazardous Materials and (ii) plans relating to the installation of any storage tanks to be installed in, on, under or about the Project (provided that installation of storage tanks shall only be permitted after Landlord has given Tenant its written consent to do so, which consent Landlord may withhold in its sole and absolute discretion) and closure plans or any other documents required by any and all Governmental Authorities for any storage tanks installed in, on, under or about the Project for the closure of any such storage tanks

(collectively, "Hazardous Materials Documents"). Tenant shall deliver to Landlord updated Hazardous Materials Documents, within fourteen (14) days after receipt of a written request therefor from Landlord, not more often than once per year, unless (m) there are any changes to the Hazardous Materials Documents or (n) Tenant initiates any Alterations or changes its business, in either case in a way that involves any material increase in the types or amounts of Hazardous Materials, in which case Tenant shall deliver updated Hazardous Materials documents (without Landlord having to request them) before or, if not practicable to do so before, as soon as reasonably practicable after the occurrence of the events in Subsection 21.2(m) or (n). For each type of Hazardous Material listed, the Hazardous Materials Documents shall include (t) the chemical name, (u) the material state (e.g., solid, liquid, gas or cryogen), (v) the concentration, (w) the storage amount and storage condition (e.g., in cabinets or not in cabinets), (x) the use amount and use condition (e.g., open use or closed use), (y) the location (e.g., room number or other identification) and (z) if known, the chemical abstract service number. Notwithstanding anything in this Section to the contrary, Tenant shall not be required to provide Landlord with any documents containing information of a proprietary nature, unless such documents contain a reference to Hazardous Materials or activities related to Hazardous Materials. Landlord may, at Landlord's expense, cause the Hazardous Materials Documents to be reviewed by a person or firm qualified to analyze Hazardous Materials to confirm compliance with the provisions of this Lease and with Applicable Laws. In the event that a review of the Hazardous Materials Documents indicates non-compliance with this Lease or Applicable Laws, Tenant shall, at its expense, diligently take steps to bring its storage and use of Hazardous Materials into compliance. Notwithstanding anything in this Lease to the contrary or Landlord's review into Tenant's Hazardous Materials Documents or use or disposal of hazardous materials, however, Landlord shall not have and expressly disclaims any liability related to Tenant's or other tenants' use or disposal of Hazardous Materials, it being acknowledged by Tenant that Tenant is best suited to evaluate the safety and efficacy of its Hazardous Materials usage and procedures.

21.3 Tenant represents and warrants to Landlord that it is not nor has it been, in connection with the use, disposal or storage of Hazardous Materials, (a) subject to a material enforcement order issued by any Governmental Authority or (b) required to take any remedial action.

21.4 At any time, and from time to time, prior to the expiration of the Term, Landlord shall have the right to conduct appropriate tests of the Project or any portion thereof to demonstrate that Hazardous Materials are present or that contamination has occurred due to the acts or omissions of a Tenant Party. Tenant shall pay all reasonable costs of such tests if such tests reveal that Hazardous Materials exist at the Project in violation of Tenant's obligations under this Lease.

21.5 If underground or other storage tanks storing Hazardous Materials installed or utilized by Tenant are located on the Premises, or are hereafter placed on the Premises by Tenant (or by any other party, if such storage tanks are utilized by Tenant), then Tenant shall monitor the storage tanks, maintain appropriate records, implement reporting procedures, properly close any underground storage tanks, and take or cause to be taken all other steps necessary or required under the Applicable Laws. Tenant shall have no responsibility or liability for underground or other storage tanks installed by anyone other than Tenant unless Tenant utilizes such tanks, in which case Tenant's responsibility for such tanks shall be as set forth in this Section.

21.6 Tenant shall promptly report to Landlord any actual or suspected presence of mold or water intrusion at the Premises.

21.7 Tenant's obligations under this Article shall survive the expiration or earlier termination of the Lease. During any period of time needed by Tenant or Landlord after the termination of this Lease to complete the removal from the Premises of any such Hazardous Materials, Tenant shall be deemed a holdover tenant and subject to the provisions of Article 27.

21.8 As used herein, the term "Hazardous Material" means any toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous substance, material or waste that is or becomes regulated by Applicable Laws or any Governmental Authority.

21.9 Notwithstanding anything to the contrary in this Lease, Landlord shall have sole control over the equitable allocation of fire control areas (as defined in the Uniform Building Code as adopted by the city or municipality(ies) in which the Project is located (the "UBC")) within the Project for the storage of Hazardous Materials. Notwithstanding anything to the contrary in this Lease, the quantity of Hazardous Materials allowed by this Section is specific to Tenant and shall not run with the Lease in the event of a Transfer (as defined in Article 29). In the event of a Transfer, if the use of Hazardous Materials by such new tenant ("New Tenant") is such that New Tenant utilizes fire control areas in the Project in excess of New Tenant's Pro Rata Share of the Building or the Project, as applicable, then New Tenant shall, at its sole cost and expense and upon Landlord's written request, establish and maintain a separate area of the Premises classified by the UBC as an "H" occupancy area for the use and storage of Hazardous Materials, or take such other action as is necessary to ensure that its share of the fire control areas of the Building and the Project is not greater than New Tenant's Pro Rata Share of the Building or the Project, as applicable. Notwithstanding anything in this Lease to the contrary, Landlord shall not have and expressly disclaims any liability related to Tenant's or other tenants' use or disposal of fire control areas, it being acknowledged by Tenant that Tenant and other tenants are best suited to evaluate the safety and efficacy of its Hazardous Materials usage and procedures.

22. Odors and Exhaust. Tenant acknowledges that Landlord would not enter into this Lease with Tenant unless Tenant assured Landlord that under no circumstances will any other occupants of the Building or the Project (including persons legally present in any outdoor areas of the Project) be subjected to odors or fumes (whether or not noxious), and that the Building and the Project will not be damaged by any exhaust, in each case from Tenant's operations, including in Tenant's vivarium. Landlord and Tenant therefore agree as follows:

22.1 Tenant shall not cause or permit (or conduct any activities that would cause) any release of any odors or fumes of any kind from the Premises.

22.2 If the Building has a ventilation system that, in Landlord's judgment, is adequate, suitable, and appropriate to vent the Premises in a manner that does not release odors affecting any indoor or outdoor part of the Project, Tenant shall vent the Premises through such system. If Landlord at any time determines that any existing ventilation system is inadequate, or if no ventilation system exists, Tenant shall in compliance with Applicable Laws vent all fumes and odors from the Premises (and remove odors from Tenant's exhaust stream) as Landlord requires.

The placement and configuration of all ventilation exhaust pipes, louvers and other equipment shall be subject to Landlord's approval. Tenant acknowledges Landlord's legitimate desire to maintain the Project (indoor and outdoor areas) in an odor-free manner, and Landlord may require Tenant to abate and remove all odors in a manner that goes beyond the requirements of Applicable Laws.

22.3 Tenant shall, at Tenant's sole cost and expense, provide odor eliminators and other devices (such as filters, air cleaners, scrubbers and whatever other equipment may in Landlord's judgment be necessary or appropriate from time to time) to completely remove, eliminate and abate any odors, fumes or other substances in Tenant's exhaust stream that, in Landlord's judgment, emanate from Tenant's Premises. Any work Tenant performs under this Section shall constitute Alterations.

22.4 Tenant's responsibility to remove, eliminate and abate odors, fumes and exhaust shall continue throughout the Term. Landlord's approval of the Tenant Improvements shall not preclude Landlord from requiring additional measures to eliminate odors, fumes and other adverse impacts of Tenant's exhaust stream (as Landlord may designate in Landlord's discretion). Tenant shall install additional equipment as Landlord requires from time to time under the preceding sentence. Such installations shall constitute Alterations.

22.5 If Tenant fails to install satisfactory odor control equipment within ten (10) business days after Landlord's demand made at any time, then Landlord may, without limiting Landlord's other rights and remedies, require Tenant to cease and suspend any operations in the Premises that, in Landlord's determination, cause odors, fumes or exhaust. For example, if Landlord determines that Tenant's production of a certain type of product causes odors, fumes or exhaust, and Tenant does not install satisfactory odor control equipment within ten (10) business days after Landlord's request, then Landlord may require Tenant to stop producing such type of product in the Premises unless and until Tenant has installed odor control equipment satisfactory to Landlord.

23. Insurance.

23.1 Landlord shall maintain insurance for the Building and the Project in amounts equal to full replacement cost (exclusive of the costs of excavation, foundations and footings, engineering costs or such other costs to the extent the same are not incurred in the event of a rebuild and without reference to depreciation taken by Landlord upon its books or tax returns), providing protection against any peril generally included within the classification "Fire and Extended Coverage," together with insurance against sprinkler damage (if applicable), vandalism and malicious mischief. Landlord, subject to availability thereof, shall further insure, if Landlord deems it appropriate, coverage against flood, environmental hazard, earthquake, loss or failure of building equipment, rental loss during the period of repairs or rebuilding, Workers' Compensation insurance and fidelity bonds for employees employed to perform services. Notwithstanding the foregoing, Landlord may, but shall not be deemed required to, provide insurance for any improvements installed by Tenant or that are in addition to the standard improvements customarily furnished by Landlord, without regard to whether or not such are made a part of or are affixed to the Building.

23.2 In addition, Landlord shall carry Commercial General Liability insurance with limits of not less than Five Million Dollars ($5,000,000) per occurrence/general aggregate for bodily injury (including death), or property damage with respect to the Project, which limit may be met by use of excess and/or umbrella liability insurance; provided that such coverage is at least as broad as the primary coverage required herein.

23.3 Tenant shall, at its own cost and expense, procure and maintain during the Term the following insurance for the benefit of Tenant and Landlord (as their interests may appear) with insurers financially acceptable and lawfully authorized to do business in the state where the Premises are located:

(a) Commercial General Liability insurance on a broad-based occurrence coverage form, with coverages including but not limited to bodily injury (including death), property damage (including loss of use resulting therefrom), premises/operations, personal & advertising injury, and contractual liability with limits of liability of not less than $2,000,000 for bodily injury and property damage per occurrence, $4,000,000 general aggregate, which limits may be met by use of excess and/or umbrella liability insurance; provided that such coverage is at least as broad as the primary coverages required herein.

(b) Commercial Automobile Liability insurance covering liability arising from the use or operation of any auto on behalf of Tenant or invited by Tenant (including those owned, hired, rented, leased, borrowed, scheduled or non-owned). Coverage shall be on a broad-based occurrence form in an amount not less than $2,000,000 combined single limit per accident for bodily injury and property damage. Such coverage shall apply to all vehicles and persons, whether accessing the property with active or passive consent.

(c) Commercial Property insurance covering property damage to the full replacement cost value and business interruption. Covered property shall include all tenant improvements in the Premises (to the extent not insured by Landlord pursuant to Section 23.1) and Tenant's Property including personal property, furniture, fixtures, machinery, equipment, stock, inventory and improvements and betterments, which may be owned by Tenant or Landlord and required to be insured hereunder, or which may be leased, rented, borrowed or in the care custody or control of Tenant, or Tenant's agents, employees or subcontractors. Such insurance, with respect only to all Tenant Improvements, Alterations or other work performed on the Premises by Tenant (collectively, "Tenant Work"), shall name Landlord and Landlord's current and future mortgagees as loss payees as their interests may appear. Such insurance shall be written on an "all risk" of physical loss or damage basis including the perils of fire, extended coverage, electrical injury, mechanical breakdown, windstorm, vandalism, malicious mischief, sprinkler leakage, back-up of sewers or drains, flood, earthquake, terrorism and such other risks Landlord may from time to time designate, for the full replacement cost value of the covered items with an agreed amount endorsement with no co-insurance. Business interruption coverage shall have limits sufficient to cover Tenant's lost profits and necessary continuing expenses, including rents due Landlord under the Lease. The minimum period of indemnity for business interruption coverage shall be twelve (12) months.

(d) Workers' Compensation in compliance with all Applicable Laws or as may be available on a voluntary basis. Employer's Liability must be at least in the amount of $1,000,000 for bodily injury by accident for each employee, $1,000,000 for bodily injury by disease for each employee, and $1,000,000 bodily injury by disease for policy limit.

(e) Medical malpractice insurance at limits of not less than $1,000,000 each claim during such periods, if any, that Tenant engages in the practice of medicine or clinical trials involving human beings at the Premises.

(f) Pollution Legal Liability insurance is required if Tenant stores, handles, generates or treats Hazardous Materials, as determined solely by Landlord, on or about the Premises. Such coverage shall include bodily injury, sickness, disease, death or mental anguish or shock sustained by any person; property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed; and defense costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages. Coverage shall apply to both sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water. Claims-made coverage is permitted, provided the policy retroactive date is continuously maintained prior to the commencement date of this agreement, and coverage is continuously maintained during all periods in which Tenant occupies the Premises. Coverage shall be maintained with limits of not less than $1,000,000 per incident with a $2,000,000 policy aggregate and for a period of two (2) years thereafter.

(g) During all construction by Tenant at the Premises, with respect to tenant improvements being constructed (including the Tenant Improvements and any Alterations, insurance required in Exhibit B-1 must be in place.

23.4 The insurance required of Tenant by this Article shall be with companies at all times having a current rating of not less than A- and financial category rating of at least Class VII in "A.M. Best's Insurance Guide" current edition. Tenant shall obtain for Landlord from the insurance companies/broker or cause the insurance companies/broker to furnish certificates of insurance evidencing all coverages required herein to Landlord including copies of any endorsements. No such policy shall be cancelable or subject to reduction of coverage or other modification or cancellation except after thirty (30) days' prior written notice to Landlord from Tenant or its insurers (except in the event of non-payment of premium, in which case ten (10) days' written notice shall be given). All such policies shall be written as primary policies, not contributing with and not in excess of the coverage that Landlord may carry. Tenant's required policies shall contain severability of interests clauses stating that, except with respect to limits of insurance, coverage shall apply separately to each insured or additional insured. Tenant shall, on the date of expiration of such policies, furnish Landlord with renewal certificates of insurance or binders. Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure such insurance on Tenant's behalf and at its cost to be paid by Tenant as Additional Rent. Commercial General Liability, Commercial Automobile Liability, Umbrella Liability and Pollution Legal Liability insurance as required above shall name the Landlord Parties as additional insureds as respects liability arising from work or operations performed by or on behalf of Tenant, Tenant's use or occupancy of Premises, and ownership,

maintenance or use of vehicles by or on behalf of Tenant. Tenant must disclose any self-insurance, including self-insurance retentions, to Landlord in writing in advance, which shall be subject to Landlord's prior written approval in its sole discretion. If Tenant self-insures with Landlord's prior written approval, Tenant is itself acting as though it were providing the insurance required under the provisions of this Lease, and Tenant shall pay those amounts due in lieu of insurance proceeds that would have been covered and payable if the insurance policies had been carried for such self-insured coverages, which amounts shall be treated as insurance proceeds for all purposes under this Lease.

23.5 In each instance where insurance is to name the Landlord Parties as additional insureds, Tenant shall, upon Landlord's written request, also designate and furnish certificates evidencing the Landlord Parties as additional insureds to (a) any Lender of Landlord holding a security interest in the Building or the Project, (b) the landlord under any lease whereunder Landlord is a tenant of the real property upon which the Building is located if the interest of Landlord is or shall become that of a tenant under a ground lease rather than that of a fee owner and (c) any management company retained by Landlord to manage the Project.

23.6 Tenant assumes the risk of damage to any fixtures, goods, inventory, merchandise, equipment and leasehold improvements, and Landlord shall not be liable for injury to Tenant's business or any loss of income therefrom, relative to such damage, all as more particularly set forth within this Lease. Tenant shall, at Tenant's sole cost and expense, carry such insurance as Tenant desires for Tenant's protection with respect to personal property of Tenant or business interruption.

23.7 Except in cases of gross negligence or willful misconduct, each of Tenant and Landlord, on behalf of themselves and their respective insurers, hereby waive any and all rights of recovery or subrogation against the Landlord Parties with respect to any loss, damage, claims, suits or demands, howsoever caused, that are covered, or should have been covered, by valid and collectible workers' compensation, employer's liability insurance and other liability insurance required to obtained and carried by the parties pursuant to this Article, including any deductibles or self-insurance maintained thereunder. If necessary, Tenant and Landlord agree to endorse the required workers' compensation, employer's liability and other liability insurance policies to permit waivers of subrogation as required hereunder and hold harmless and indemnify the Landlord Parties and Tenant Parties, as applicable, for any loss or expense incurred as a result of a failure to obtain such waivers of subrogation from insurers. Such waivers shall continue so long as Tenant's and Landlord's insurers so permit. Any termination of such a waiver shall be by written notice to Landlord or Tenant, as applicable, containing a description of the circumstances hereinafter set forth in this Section. Tenant, upon obtaining the policies of workers' compensation, employer's liability and other liability insurance required or permitted under this Lease, shall give notice to its insurance carriers that the foregoing waiver of subrogation is contained in this Lease. If such policies shall not be obtainable with such waiver or shall be so obtainable only at a premium over that chargeable without such waiver, then Tenant shall notify Landlord of such conditions.

23.8 Landlord may require insurance policy limits required under this Lease to be raised to conform with requirements of Landlord's Lender or to bring coverage limits to levels then being required of new tenants within the Project.

23.9 In addition to other insurance required by this Lease to be carried by Tenant, if Tenant sells, merchandises, transfers, gives away or exchanges alcoholic beverages in, upon or from any part of the Premises, then Tenant shall, at Tenant's sole cost and expense, purchase and maintain in full force and effect during the Term dram shop insurance in form and substance satisfactory to Landlord, with total limits of liability for bodily injury, loss of means of support and property damage for each occurrence in an amount and with a carrier reasonably acceptable to Landlord, and otherwise in compliance with the general provisions of this Article governing the provision of insurance by Tenant. Such policy shall name the Landlord Parties as additional insureds against any liability by virtue of Applicable Laws concerning the use, sale or giving away of alcoholic beverages. If at any time such insurance is for any reason not in force, then during all and any such times no selling, merchandising, transferring, giving away or exchanging of alcoholic beverages shall be conducted by Tenant in, upon or from any part of the Premises.

23.10 Any costs incurred by Landlord pursuant to this Article shall constitute a portion of Operating Expenses, subject to Article 9.

24. Damage or Destruction.

24.1 In the event of a partial destruction of (a) the Premises, (b) the Building, (c) the Common Area or (d) the Project ((a)-(d) collectively, the "Affected Areas") by fire or other perils covered by extended coverage insurance not exceeding twenty-five percent (25%) of the full insurable value thereof, and provided that (w) the damage thereto is such that the Affected Areas may be repaired, reconstructed or restored within a period of twelve (12) months from the date of the happening of such casualty, (x) Landlord shall receive insurance proceeds from its insurer or Lender sufficient to cover the cost of such repairs, reconstruction and restoration (except for any deductible amount provided by Landlord's policy, which deductible amount, if paid by Landlord, shall constitute an Operating Expense), (y) the repair, reconstruction or restoration of the Affected Areas is permitted by all applicable Loan Documents or otherwise consented to by any and all Lenders whose consent is required thereunder and (z) such casualty was not intentionally caused by a Tenant Party, then Landlord shall commence and proceed diligently with the work of repair, reconstruction and restoration of the Affected Areas and this Lease shall continue in full force and effect.

24.2 In the event of any damage to or destruction of the Building or the Project other than as described in Section 24.1, Landlord may elect to repair, reconstruct and restore the Building or the Project, as applicable, in which case this Lease shall continue in full force and effect. If Landlord elects not to repair, reconstruct and restore the Building or the Project, as applicable, then this Lease shall terminate as of the date of such damage or destruction. In the event of any damage or destruction (regardless of whether such damage is governed by Section 24.1 or this Section), if (a) in Landlord's determination as set forth in the Damage Repair Estimate (as defined below), the Affected Areas cannot be repaired, reconstructed or restored within fifteen (15) months after the date of such casualty, or (b) subject to Section 24.6, the Affected Areas are not actually repaired, reconstructed and restored within fifteen (15) months after the date of such casualty, then Tenant shall have the right to terminate this Lease, effective as of the date of such damage or destruction, by delivering to Landlord its written notice of termination (a "Termination Notice") (y) with respect to Subsection 24.2(a), no later than fifteen (15) days after Landlord delivers to Tenant Landlord's Damage Repair Estimate and (z) with respect to Subsection 24.2(b), no later

than fifteen (15) days after such eighteen (18) month period (as the same may be extended pursuant to Section 24.6) expires. If Tenant provides Landlord with a Termination Notice pursuant to Subsection 24.2(z), Landlord shall have an additional thirty (30) days after receipt of such Termination Notice to complete the repair, reconstruction and restoration. If Landlord does not complete such repair, reconstruction and restoration within such thirty (30) day period, then Tenant may terminate this Lease by giving Landlord written notice within two (2) business days after the expiration of such thirty (30) day period. If Landlord does complete such repair, reconstruction and restoration within such thirty (30) day period, then this Lease shall continue in full force and effect

24.3 As soon as reasonably practicable, but in any event within sixty (60) days following the date of damage or destruction, Landlord shall notify Tenant of Landlord's good faith estimate of the period of time in which the repairs, reconstruction and restoration will be completed (the "Damage Repair Estimate"), which estimate shall be based upon the opinion of a contractor reasonably selected by Landlord and experienced in comparable repair, reconstruction and restoration of similar buildings. Additionally, Landlord shall give written notice to Tenant within sixty (60) days following the date of damage or destruction of its election not to repair, reconstruct or restore the Building or the Project, as applicable.

24.4 Upon any termination of this Lease under any of the provisions of this Article, the parties shall be released thereby without further obligation to the other from the date possession of the Premises is surrendered to Landlord, except with regard to (a) items occurring prior to the damage or destruction and (b) provisions of this Lease that, by their express terms, survive the expiration or earlier termination hereof.

24.5 In the event of repair, reconstruction and restoration as provided in this Article, all Rent to be paid by Tenant under this Lease shall be abated proportionately based on the extent to which Tenant's use of the Premises is impaired during the period of such repair, reconstruction or restoration, unless Landlord provides Tenant with other space during the period of repair, reconstruction and restoration that, in Tenant's reasonable opinion, is suitable for the temporary conduct of Tenant's business; provided, however, that the amount of such abatement shall be reduced by the amount of Rent that is received by Tenant as part of the business interruption or loss of rental income with respect to the Premises from the proceeds of business interruption or loss of rental income insurance. For the avoidance of doubt, to the extent any such repair, reconstruction and restoration provided in this Article relates to portions of the Building that Landlord is obligated to maintain pursuant to the terms and conditions of this Lease, then Landlord's business interruption policy shall be primary and in the event any such repair, reconstruction and restoration provided in this Article relates to portions of the Premises or Building that Tenant is obligated to maintain pursuant to the terms and conditions of this Lease, then Tenant's business interruption policy shall be primary.

24.6 Notwithstanding anything to the contrary contained in this Article, (a) Landlord shall not be required to repair, reconstruct or restore any damage or destruction to the extent that Landlord is prohibited from doing so by any applicable Loan Document or any Lender whose consent is required thereunder withholds its consent, and (b) should Landlord be delayed or prevented from completing the repair, reconstruction or restoration of the damage or destruction to the Premises after the occurrence of such damage or destruction by Force Majeure (as defined below) or delays caused by a Lender or Tenant Party, then the time for Landlord to commence or complete repairs, reconstruction and restoration shall be extended on a day-for-day basis; provided, however, that, at Landlord's election, Landlord shall be relieved of its obligation to make such repairs, reconstruction and restoration.

24.7 If Landlord is obligated to or elects to repair, reconstruct or restore as herein provided, then Landlord shall be obligated to make such repairs, reconstruction or restoration only with regard to (a) those portions of the Premises that were originally provided at Landlord's expense and (b) the Common Area portion of the Affected Areas. The repairs, reconstruction or restoration of improvements not originally provided by Landlord or at Landlord's expense shall be the obligation of Tenant. In the event Tenant has elected to upgrade certain improvements from the Building Standard, Landlord shall, upon the need for replacement due to an insured loss, provide only the Building Standard, unless Tenant again elects to upgrade such improvements and pay any incremental costs related thereto, except to the extent that excess insurance proceeds, if received, are adequate to provide such upgrades, in addition to providing for basic repairs, reconstruction and restoration of the Premises, the Building and the Project.

24.8 Notwithstanding anything to the contrary contained in this Article, Landlord shall not have any obligation whatsoever to repair, reconstruct or restore the Premises if the damage resulting from any casualty covered under this Article occurs during the last twelve (12) months of the Term or any extension thereof, or to the extent that insurance proceeds are not available therefor.

24.9 Landlord's obligation, should it elect or be obligated to repair, reconstruct or restore, shall be limited to the Affected Areas, and shall be conditioned upon Landlord receiving any permits or authorizations required by Applicable Laws. Tenant shall, at its expense, replace or fully repair all of Tenant's personal property and any Alterations installed by Tenant existing at the time of such damage or destruction. If Affected Areas are to be repaired, reconstructed or restored in accordance with the foregoing, Landlord shall make available to Tenant any portion of insurance proceeds it receives that are allocable to the Alterations constructed by Tenant pursuant to this Lease; provided Tenant is not then in default under this Lease, and subject to the requirements of any Lender of Landlord.

24.10 This Article sets forth the terms and conditions upon which this Lease may terminate in the event of any damage or destruction. Accordingly, the parties hereby waive the provisions of any Applicable Laws (and any successor statutes) permitting the parties to terminate this Lease as a result of any damage or destruction.

25. Eminent Domain.

25.1 In the event (a) the whole of all Affected Areas or (b) such part thereof as shall substantially interfere with Tenant's use and occupancy of the Premises for the Permitted Use shall be taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to prevent such taking, Tenant or Landlord may terminate this Lease effective as of the date possession is required to be surrendered to such authority, except with regard to (y) items occurring prior to the taking and (z) provisions of this Lease that, by their express terms, survive the expiration or earlier termination hereof.

25.2 In the event of a partial taking of (a) the Building or the Project or (b) drives, walkways or parking areas serving the Building or the Project for any public or quasi-public purpose by any lawful power or authority by exercise of right of appropriation, condemnation, or eminent domain, or sold to prevent such taking, then, without regard to whether any portion of the Premises occupied by Tenant was so taken, Landlord may elect to terminate this Lease (except with regard to (a) items occurring prior to the taking and (b) provisions of this Lease that, by their express terms, survive the expiration or earlier termination hereof) as of such taking if such taking is, in Landlord's sole opinion, of a material nature such as to make it uneconomical to continue use of the unappropriated portion for purposes of renting office or laboratory space.

25.3 Tenant shall be entitled to any award that is specifically awarded as compensation for (a) the taking of Tenant's personal property that was installed at Tenant's expense and (b) the costs of Tenant moving to a new location. Except as set forth in the previous sentence, any award for such taking shall be the property of Landlord.

25.4 If, upon any taking of the nature described in this Article, this Lease continues in effect, then Landlord shall promptly proceed to restore the Affected Areas to substantially their same condition prior to such partial taking. To the extent such restoration is infeasible, as determined by Landlord in its sole and absolute discretion, the Rent shall be decreased proportionately to reflect the loss of any portion of the Premises no longer available to Tenant. Notwithstanding anything to the contrary contained in this Article, Landlord shall not be required to restore the Affected Areas to the extent that Landlord is prohibited from doing so by any applicable Loan Document or any Lender whose consent is required thereunder withholds its consent.

25.5 This Article sets forth the terms and conditions upon which this Lease may terminate in the event of any taking. Accordingly, the parties hereby waive the provisions of any Applicable Laws permitting the parties to terminate this Lease as a result of any taking.

26. Surrender.

26.1 At least thirty (30) days prior to Tenant's surrender of possession of any part of the Premises, Tenant shall provide Landlord with a facility decommissioning and Hazardous Materials closure plan for the Premises ("Exit Survey") prepared by an independent third party state-certified professional with appropriate expertise, which Exit Survey must be reasonably acceptable to Landlord. The Exit Survey shall comply with the American National Standards Institute's Laboratory Decommissioning guidelines (ANSI/AIHA Z9.11-2008) or any successor standards published by ANSI or any successor organization (or, if ANSI and its successors no longer exist, a similar entity publishing similar standards). In addition, at least ten (10) days prior to Tenant's surrender of possession of any part of the Premises, Tenant shall (a) provide Landlord with written evidence of all appropriate governmental releases obtained by Tenant in accordance with Applicable Laws, including laws pertaining to the surrender of the Premises, (b) place Laboratory Equipment Decontamination Forms on all decommissioned equipment to assure safe occupancy by future users and (c) conduct a site inspection with Landlord. In addition, Tenant agrees to remain responsible after the surrender of the Premises for the remediation of any recognized environmental conditions set forth in the Exit Survey and comply with any recommendations set forth in the Exit Survey. Tenant's obligations under this Section shall survive the expiration or earlier termination of the Lease.

26.2 No surrender of possession of any part of the Premises shall release Tenant from any of its obligations hereunder, unless such surrender is accepted in writing by Landlord.

26.3 The voluntary or other surrender of this Lease by Tenant shall not effect a merger with Landlord's fee title or leasehold interest in the Premises, the Building, the Property or the Project, unless Landlord consents in writing, and shall, at Landlord's option, operate as an assignment to Landlord of any or all subleases.

26.4 The voluntary or other surrender of any ground or other underlying lease that now exists or may hereafter be executed affecting the Building or the Project, or a mutual cancellation thereof or of Landlord's interest therein by Landlord and its lessor shall not effect a merger with Landlord's fee title or leasehold interest in the Premises, the Building or the Property and shall, at the option of the successor to Landlord's interest in the Building or the Project, as applicable, operate as an assignment of this Lease.

27. Holding Over.

27.1 If, with Landlord's prior written consent, Tenant holds possession of all or any part of the Premises after the Term, Tenant shall become a tenant from month to month after the expiration or earlier termination of the Term, and in such case Tenant shall continue to pay (a) Base Rent in accordance with Article 7, as adjusted in accordance with Article 8, and (b) any amounts for which Tenant would otherwise be liable under this Lease if the Lease were still in effect, including payments for Tenant's Adjusted Share of Operating Expenses, and all other Additional Rent. Any such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein.

27.2 Notwithstanding the foregoing, if Tenant remains in possession of the Premises after the expiration or earlier termination of the Term without Landlord's prior written consent, (a) Tenant shall become a tenant at sufferance subject to the terms and conditions of this Lease, except that the monthly rent shall be equal to one hundred fifty percent (150%) of the Base Rent in effect during the last thirty (30) days of the Term, plus all other Additional Rent and (b) Tenant shall be liable to Landlord for any and all damages suffered by Landlord as a result of such holdover, including any lost rent or consequential, special and indirect damages (in each case, regardless of whether such damages are foreseeable).

27.3 Acceptance by Landlord of Rent after the expiration or earlier termination of the Term shall not result in an extension, renewal or reinstatement of this Lease.

27.4 The foregoing provisions of this Article are in addition to and do not affect Landlord's right of reentry or any other rights of Landlord hereunder or as otherwise provided by Applicable Laws.

27.5 The provisions of this Article shall survive the expiration or earlier termination of this Lease.

28. Indemnification and Exculpation.

28.1 Tenant agrees to Indemnify the Landlord Indemnitees from and against any and all Claims of any kind or nature, real or alleged, arising from (a) injury to or death of any person or damage to any property occurring within or about the Premises, the Building, the Property or the Project, arising directly or indirectly out of (i) the presence at or use or occupancy of the Premises or Project by a Tenant Party or (ii) an act or omission on the part of any Tenant Party, (b) a breach or default by Tenant in the performance of any of its obligations hereunder (including any Claim asserted by a Lender against any Landlord Indemnitees under any Loan Document as a direct result of such breach or default by Tenant) or (c) injury to or death of persons or damage to or loss of any property, real or alleged, arising from the serving of alcoholic beverages at the Premises or Project, including liability under any dram shop law, host liquor law or similar Applicable Law, except to the extent arising directly from Landlord's negligence or willful misconduct. Tenant's obligations under this Section shall not be affected, reduced or limited by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant under workers' compensation acts, disability benefit acts, employee benefit acts or similar legislation. Tenant's obligations under this Section shall survive the expiration or earlier termination of this Lease. Subject to Sections 28.2 and 31.13, Landlord agrees to Indemnify the Tenant Parties from and against any and all Claims arising from injury to or death of any person or damage to or loss of any physical property occurring within or about the Premises, the Building, the Property or the Project to the extent arising directly from Landlord's gross negligence or willful misconduct.

28.2 Notwithstanding anything in this Lease to the contrary, Landlord shall not be liable to Tenant for and Tenant assumes all risk of (a) damage or losses arising from fire, electrical malfunction, gas explosion or water damage of any type (including broken water lines, malfunctioning fire sprinkler systems, roof leaks or stoppages of lines), unless any such loss is due to Landlord's willful disregard of written notice by Tenant of need for a repair that Landlord is responsible to make for an unreasonable period of time, and (b) damage to personal property or scientific research, including loss of records kept by Tenant within the Premises (in each case, regardless of whether such damages are foreseeable). Tenant further waives any claim for injury to Tenant's business or loss of income relating to any such damage or destruction of personal property as described in this Section. Notwithstanding anything in the foregoing or this Lease to the contrary, except (x) as otherwise provided herein (including Section 27.2), (y) as may be provided by Applicable Laws or (z) in the event of Tenant's breach of Article 21 or Section 26.1, in no event shall Landlord or Tenant be liable to the other for any consequential, special or indirect damages arising from this Lease, including lost profits (provided that this Subsection 28.2(z) shall not limit Tenant's liability for Base Rent or Additional Rent pursuant to this Lease).

28.3 Landlord shall not be liable for any damages arising from any act, omission or neglect of any other tenant in the Building or the Project, or of any other third party.

28.4 Tenant acknowledges that security devices and services, if any, while intended to deter crime, may not in given instances prevent theft or other criminal acts. Landlord shall not be liable for injuries or losses arising from criminal acts of third parties, and Tenant assumes the risk that any security device or service may malfunction or otherwise be circumvented by a criminal, or that Landlord may decide (in its sole and absolute discretion) not to monitor any installed security devices. If Tenant desires protection against such criminal acts, then Tenant shall, at Tenant's sole cost and expense, obtain appropriate insurance coverage. Tenant's security programs and equipment for the Premises shall be coordinated with Landlord and subject to Landlord's reasonable approval.

28.5 The provisions of this Article shall survive the expiration or earlier termination of this Lease.

29. Assignment or Subletting.

29.1 Except as hereinafter expressly permitted, none of the following (each, a "Transfer"), either voluntarily or by operation of Applicable Laws, shall be directly or indirectly performed without Landlord's prior written consent, not to be unreasonably withheld, conditioned or delayed: (a) Tenant selling, hypothecating, assigning, pledging, encumbering or otherwise transferring its interest in this Lease or subletting all or a portion of the Premises, (b) a controlling interest in Tenant being sold, assigned or otherwise transferred (other than as a result of shares in Tenant being sold on a public stock exchange) or (c) the sale of all or substantially of Tenant's assets. For purposes of the preceding sentence, "control" means (f) owning (directly or indirectly) more than fifty percent (50%) of the stock or other equity interests of another person or (g) possessing, directly or indirectly, the power to direct or cause the direction of the management and policies of such person. Notwithstanding the foregoing, Tenant shall have the right to Transfer, without Landlord's prior written consent, Tenant's interest in this Lease or the Premises or any part thereof to (x) any person that as of the date of determination and at all times thereafter directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with Tenant ("Tenant's Affiliate") or (y) succeeds to the interest of Tenant hereunder by virtue of a merger, consolidation, or sale of all or substantially all of the assets of Tenant or a controlling interest in Tenant (a "Permitted Successor"); provided that, subject to applicable confidentiality requirements, Tenant shall notify Landlord in writing at least thirty (30) days prior to the effectiveness of such Transfer to Tenant's Affiliate or a Permitted Successor (an "Exempt Transfer") and otherwise comply with the requirements of this Lease regarding such Transfer; and provided, further, that the person that will be the tenant under this Lease after the Exempt Transfer has a tangible net worth (as of both the day immediately prior to and the day immediately after the Exempt Transfer) that is equal to or greater than the net worth (as of both the Execution Date and the date of the Exempt Transfer) of the transferring Tenant. For purposes of the immediately preceding sentence, "control" requires both (m) owning (directly or indirectly) more than fifty percent (50%) of the stock or other equity interests of another person and (n) possessing, directly or indirectly, the power to direct or cause the direction of the management and policies of such person. In no event shall Tenant perform a Transfer (other than an Exempt Transfer) to or with an entity that is a tenant at the Project or that is in discussions or negotiations with Landlord or an affiliate of Landlord to lease premises at the Project or a property owned by Landlord or an affiliate of Landlord.

29.2 In the event Tenant desires to effect a Transfer, then, at least thirty (30) but not more than one hundred twenty (120) days prior to the date when Tenant desires the Transfer to be effective (the "Transfer Date"), Tenant shall provide written notice to Landlord (the "Transfer Notice") containing information (including references) concerning the character of the proposed transferee, assignee or sublessee; the Transfer Date; the most recent unconsolidated financial statements of Tenant and of the proposed transferee, assignee or sublessee satisfying the requirements of Section 40.2 ("Required Financials"); any ownership or commercial relationship between Tenant and the proposed transferee, assignee or sublessee; copies of Hazardous Materials Documents for the proposed transferee, assignee or sublessee; and the consideration and all other material terms and conditions of the proposed Transfer, all in such detail as Landlord shall reasonably require.

29.3 Landlord, in determining whether consent should be given to a proposed Transfer, may give consideration to such factors as Landlord reasonably deems material, including (a) the financial strength of Tenant and of such transferee, assignee or sublessee (notwithstanding Tenant remaining liable for Tenant's performance), (b) any change in use that such transferee, assignee or sublessee proposes to make in the use of the Premises and (c) Landlord's desire to exercise its rights under Section 29.7 to recapture the Premises. In no event shall Landlord be deemed to be unreasonable for declining to consent to a Transfer if the Transfer is to a transferee, assignee or sublessee of poor reputation, lacking financial qualifications or seeking a change in the Permitted Use, or jeopardizing directly or indirectly the status of Landlord or any of Landlord's affiliates as a Real Estate Investment Trust under the Internal Revenue Code of 1986 (as the same may be amended from time to time, the "Revenue Code"). Notwithstanding anything contained in this Lease to the contrary, (w) no Transfer shall be consummated on any basis such that the rental or other amounts to be paid by the occupant, assignee, manager or other transferee thereunder would be based, in whole or in part, on the income or profits derived by the business activities of such occupant, assignee, manager or other transferee; (x) Tenant shall not furnish or render any services to an occupant, assignee, manager or other transferee with respect to whom transfer consideration is required to be paid, or manage or operate the Premises or any capital additions so transferred, with respect to which transfer consideration is being paid; (y) Tenant shall not consummate a Transfer with any person in which Landlord owns an interest, directly or indirectly (by applying constructive ownership rules set forth in Section 856(d)(5) of the Revenue Code); and (z) Tenant shall not consummate a Transfer with any person or in any manner that could cause any portion of the amounts received by Landlord pursuant to this Lease or any sublease, license or other arrangement for the right to use, occupy or possess any portion of the Premises to fail to qualify as "rents from real property" within the meaning of Section 856(d) of the Revenue Code, or any similar or successor provision thereto or which could cause any other income of Landlord to fail to qualify as income described in Section 856(c)(2) of the Revenue Code. Notwithstanding anything in this Lease to the contrary, if (a) Tenant or any proposed transferee, assignee or sublessee of Tenant has been required by any prior landlord, Lender or Governmental Authority to take material remedial action in connection with Hazardous Materials contaminating a property if the contamination resulted from such party's action or omission or use of the property in question or (b) Tenant or any proposed transferee, assignee or sublessee is subject to a material enforcement order issued by any Governmental Authority in connection with the use, disposal or storage of Hazardous Materials, it shall not be unreasonable for Landlord to withhold its consent to any proposed transfer, assignment or subletting (with respect to any such matter involving a proposed transferee, assignee or sublessee).

29.4 The following are conditions precedent to a Transfer or to Landlord considering a request by Tenant to a Transfer:

(a) Tenant shall remain fully liable under this Lease. Tenant agrees that it shall not be (and shall not be deemed to be) a guarantor or surety of this Lease, however, and waives its right to claim that is it is a guarantor or surety or to raise in any legal proceeding any guarantor or surety defenses permitted by this Lease or by Applicable Laws;

(b) If Tenant or the proposed transferee, assignee or sublessee does not or cannot deliver the Required Financials, then Landlord may elect to have either Tenant's ultimate parent company or the proposed transferee's, assignee's or sublessee's ultimate parent company provide a guaranty of the applicable entity's obligations under this Lease, in a form acceptable to Landlord, which guaranty shall be executed and delivered to Landlord by the applicable guarantor prior to the Transfer Date;

(c) In the case of an Exempt Transfer, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord that the Transfer qualifies as an Exempt Transfer;

(d) Tenant shall provide Landlord with evidence respecting the relevant business experience and financial responsibility and status of the proposed transferee, assignee or sublessee;

(e) Tenant shall reimburse Landlord for Landlord's actual out of pocket costs and expenses, including reasonable attorneys' fees, incurred in connection with the review, processing and documentation of such request;

(f) If Tenant's transfer of rights or sharing of the Premises provides for the receipt by, on behalf of or on account of Tenant of any consideration of any kind whatsoever (including a premium rental for a sublease or lump sum payment for an assignment, but excluding Tenant's reasonable costs in marketing and subleasing the Premises) in excess of the rental and other charges due to Landlord under this Lease, Tenant shall (unless Landlord directs in writing otherwise) pay fifty percent (50%) of all of such excess to Landlord, after making deductions for any reasonable marketing expenses, tenant improvement funds expended by Tenant, alterations, cash concessions, brokerage commissions, attorneys' fees and free rent actually paid by Tenant. If such consideration consists of cash paid to Tenant, payment to Landlord shall be made upon receipt by Tenant of such cash payment;

(g) The proposed transferee, assignee or sublessee shall agree that, in the event Landlord gives such proposed transferee, assignee or sublessee notice that Tenant is in default under this Lease beyond applicable notice and cure periods, such proposed transferee, assignee or sublessee shall thereafter make all payments otherwise due Tenant directly to Landlord, which payments shall be received by Landlord without any liability being incurred by Landlord, except to credit such payment against those due by Tenant under this Lease, and any such proposed transferee, assignee or sublessee shall agree to attorn to Landlord or its successors and assigns should this Lease be terminated for any reason; provided, however, that in no event shall Landlord or its Lenders, successors or assigns be obligated to accept such attornment;

(h) Landlord's consent to any such Transfer shall be effected on Landlord's forms;

(i) Tenant shall not then be in default hereunder in any respect;

(j) Such proposed transferee, assignee or sublessee's use of the Premises shall be the same as the Permitted Use;

(k) Landlord shall not be bound by any provision of any agreement pertaining to the Transfer, except for Landlord's written consent to the same;

(l) Tenant shall pay all transfer and other taxes (including interest and penalties) assessed or payable for any Transfer;

(m) Landlord's consent (or waiver of its rights) for any Transfer shall not waive Landlord's right to consent or refuse consent to any later Transfer;

(n) Tenant shall deliver to Landlord one executed copy of any and all written instruments evidencing or relating to the Transfer; and

(o) Tenant shall deliver to Landlord a list of Hazardous Materials (as defined below), certified by the proposed transferee, assignee or sublessee to be true and correct, that the proposed transferee, assignee or sublessee intends to use or store in the Premises. Additionally, Tenant shall deliver to Landlord, on or before the date any proposed transferee, assignee or sublessee takes occupancy of the Premises, all of the items relating to Hazardous Materials of such proposed transferee, assignee or sublessee as described in Section 21.2.

29.5 Any Transfer that is not in compliance with the provisions of this Article or with respect to which Tenant does not fulfill its obligations pursuant to this Article shall (a) constitute a Default, (b) be voidable by Landlord and (c), at Landlord's option, terminate this Lease, except for those provisions that, by their express terms, survive the expiration or earlier termination hereof.

29.6 Notwithstanding any Transfer, Tenant shall remain fully and primarily liable for the payment of all Rent and other sums due or to become due hereunder, and for the full performance of all other terms, conditions and covenants to be kept and performed by Tenant. The acceptance of Rent or any other sum due hereunder, or the acceptance of performance of any other term, covenant or condition thereof, from any person or entity other than Tenant shall not be deemed a waiver of any of the provisions of this Lease or a consent to any Transfer.

29.7 If Tenant delivers to Landlord a Transfer Notice indicating a desire to transfer this Lease to a proposed transferee, assignee (excluding any assignment constituting an Exempt Transfer), or sublessee, that would, in the aggregate with all other then-current subleases and licenses, cause more than fifty percent (50%) of the Rentable Area of the Premises to be assigned, licensed or subleased (excluding any subleases and licenses that constitute Exempt Transfers) for substantially the remaining Term of this Lease, then Landlord shall have the option, exercisable by giving notice to Tenant at any time within thirty (30) days after Landlord's receipt of such Transfer Notice, to terminate this Lease as of the date specified in the Transfer Notice as the Transfer Date, except for those provisions that, by their express terms, survive the expiration or earlier termination hereof. If Landlord exercises such option, then Tenant shall have the right to withdraw such Transfer Notice by delivering to Landlord written notice of such election within five (5) Business Days after Landlord's delivery of notice electing to exercise Landlord's option to terminate this Lease. In the event Tenant withdraws the Transfer Notice as provided in this Section, this Lease shall continue in full force and effect. No failure of Landlord to exercise its option to terminate this Lease shall be deemed to be Landlord's consent to a proposed Transfer.

29.8 If Tenant sublets the Premises or any portion thereof, Tenant hereby immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any such subletting, and appoints Landlord as assignee and attorney-in-fact for Tenant, and Landlord (or a receiver for Tenant appointed on Landlord 's application) may collect such rent and apply it toward Tenant's obligations under this Lease; provided that, until the occurrence of a Default (as defined below) by Tenant, Tenant shall have the right to collect such rent.

29.9 In the event that Tenant enters into a sublease for the entire Premises in accordance with this Article that expires within two (2) days of the Term Expiration Date, the term expiration date of such sublease shall, notwithstanding anything in this Lease, the sublease or any consent to the sublease to the contrary, be deemed to be the date that is two (2) days prior to the Term Expiration Date.

30. Subordination and Attornment.

30.1 This Lease shall be subject and subordinate to the lien of any mortgage, deed of trust, or lease in which Landlord is tenant now or hereafter in force against the Building or the Project and to all advances made or hereafter to be made upon the security thereof without the necessity of the execution and delivery of any further instruments on the part of Tenant to effectuate such subordination.

30.2 Notwithstanding the foregoing, Tenant shall execute and deliver upon demand such further instrument or instruments evidencing such subordination of this Lease to the lien of any such mortgage or mortgages or deeds of trust or lease in which Landlord is tenant as may be required by Landlord. If any Lender so elects, however, Tenant's leasehold shall be deemed prior to any such lease, mortgage, or deed of trust upon or including the Premises regardless of date and Tenant shall execute a statement in writing to such effect at Landlord's request. If Tenant fails to execute any document required from Tenant under this Section within ten (10) days after written request therefor, then upon request of Landlord, Tenant shall pay a fee of $500.00 per day until Tenant has executed such document. Such power is coupled with an interest and is irrevocable. Landlord shall request a SNDA from (a) its current Lender within thirty (30) days after the Term Commencement Date, and (b) any future Lender, each on Lenders' standard form; provided, however, that Tenant acknowledges and agrees that such Lenders have no contractual or other obligation to delivery such subordination and non- disturbance agreement.

30.3 Upon written request of Landlord and opportunity for Tenant to review, Tenant agrees to execute any Lease amendments not materially altering the terms of this Lease, if required by a Lender incident to the financing of the real property of which the Premises constitute a part.

30.4 In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by Landlord covering the Premises, Tenant shall at the election of the purchaser at such foreclosure or sale attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease.

31. Defaults and Remedies.

31.1 Late payment by Tenant to Landlord of Rent and other sums due shall cause Landlord to incur costs not contemplated by this Lease, the exact amount of which shall be extremely difficult and impracticable to ascertain. Such costs include processing and accounting charges and late charges that may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Therefore, if any installment of Rent due from Tenant is not received by Landlord within three (3) days after the date such payment is due, Tenant shall pay to Landlord (a) an additional sum of five percent (5%) of the overdue Rent as a late charge plus (b) interest at an annual rate (the "Default Rate") equal to the lesser of (a) twelve percent (12%) and (b) the highest rate permitted by Applicable Laws. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord shall incur by reason of late payment by Tenant and shall be payable as Additional Rent to Landlord due with the next installment of Rent or within five (5) business days after Landlord's demand, whichever is earlier. Landlord's acceptance of any Additional Rent (including a late charge or any other amount hereunder) shall not be deemed an extension of the date that Rent is due or prevent Landlord from pursuing any other rights or remedies under this Lease, at law or in equity. Notwithstanding the foregoing to the contrary, Landlord shall not charge Tenant such late charge the first time in any calendar year that Tenant fails to make such payment within such three (3)- day period, provided such payment is made within ten (10) days after written notice from Landlord that such payment is due, and provided further that Tenant shall not be entitled to such extended grace period more than twice during the Term of this Lease.

31.2 No payment by Tenant or receipt by Landlord of a lesser amount than the Rent payment herein stipulated shall be deemed to be other than on account of the Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease or in equity or at law.

31.3 If Tenant fails to pay any sum of money required to be paid by it hereunder or perform any other act on its part to be performed hereunder, in each case within the applicable cure period (if any) described in Section 31.4, then Landlord may (but shall not be obligated to), without waiving or releasing Tenant from any obligations of Tenant, make such payment or perform such act; provided that such failure by Tenant unreasonably interfered with the use of the Building or the Project by any other tenant or with the efficient operation of the Building or the Project, or resulted or could have resulted in a violation of Applicable Laws or the cancellation of an insurance policy maintained by Landlord. Notwithstanding the foregoing, in the event of an emergency, Landlord shall have the right to enter the Premises and act in accordance with its rights as provided elsewhere in this Lease. In addition to the late charge described in Section 31.1, Tenant shall pay to Landlord as Additional Rent all sums so paid or incurred by Landlord, together with interest at the Default Rate, computed from the date such sums were paid or incurred.

31.4 The occurrence of any one or more of the following events shall constitute a "Default" hereunder by Tenant:

(a) Tenant abandons the Premises;

(b) Tenant fails to make any payment of Rent, as and when due, or to satisfy its obligations under Article 19, where such failure shall continue for a period of three (3) Business Days after written notice thereof from Landlord to Tenant;

(c) Tenant fails to observe or perform any obligation or covenant contained herein (other than described in Sections 31.4(a) and 31.4(b)) to be performed by Tenant, where such failure continues for a period of thirty (30) days after written notice thereof from Landlord to Tenant; provided that, if the nature of Tenant's default is such that it reasonably requires more than thirty (30) days to cure, Tenant shall not be deemed to be in Default if Tenant commences such cure within such thirty (30) day period and thereafter diligently prosecutes the same to completion; and provided, further, that such cure is completed no later than sixty (60) days after Tenant's receipt of written notice from Landlord;

(d) Tenant makes an assignment for the benefit of creditors;

(e) A receiver, trustee or custodian is appointed to or does take title, possession or control of all or substantially all of Tenant's assets;

(f) Tenant files a voluntary petition under the United States Bankruptcy Code or any successor statute (as the same may be amended from time to time, the "Bankruptcy Code") or an order for relief is entered against Tenant pursuant to a voluntary or involuntary proceeding commenced under any chapter of the Bankruptcy Code;

(g) Any involuntary petition is filed against Tenant under any chapter of the Bankruptcy Code and is not dismissed within one hundred twenty (120) days;

(h) Tenant fails to deliver an estoppel certificate in accordance with Article 20, and such failure continues for more than five (5) days after notice from Landlord; or

(i) Tenant's interest in this Lease is attached, executed upon or otherwise judicially seized and such action is not released or vacated within one hundred twenty (120) days of the action.

Notices given under this Section shall specify the alleged default and shall demand that Tenant perform the provisions of this Lease or pay the Rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless Landlord elects otherwise in such notice.

31.5 In the event of a Chronic Delinquency (as defined below), Landlord may, in addition to all other remedies under this Lease, at law or in equity, require that Tenant thereafter pay Rent quarterly in advance. This provision shall not limit in any way nor be construed as a waiver of Landlord's rights and remedies contained in this Lease, at law or in equity in the event of a default. "Chronic Delinquency" means that Tenant commits a Default pursuant to Section 31.4(b) three (3) times in any twelve (12) month period.

31.6 In the event of a Default by Tenant, and at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy that Landlord may have, Landlord has the right to do any or all of the following:

(a) Halt any Tenant Improvements and Alterations and order Tenant's contractors, subcontractors, consultants, designers and material suppliers to stop work;

(b) Terminate Tenant's right to possession of the Premises by written notice to Tenant or by any lawful means, in which case Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall have the immediate right to re-enter and remove all persons and property, and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage that may be occasioned thereby; and

(c) Terminate this Lease, in which event Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall have the immediate right to re-enter and remove all persons and property, and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage that may be occasioned thereby. In the event that Landlord shall elect to so terminate this Lease, then Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including,

(i) The sum of:

(A) The worth at the time of award of any unpaid Rent that had accrued at the time of such termination; plus

(B) The costs of restoring the Premises to the condition required under the terms of this Lease; plus

(C) An amount (the "Election Amount") equal to either (A) the positive difference (if any, and measured at the time of such termination) between (1) the then-present value of the total Rent and other benefits that would have accrued to Landlord under this Lease for the remainder of the Term if Tenant had fully complied with the Lease minus (2) the then-present cash rental value of the Premises as determined by Landlord for what would be the then-unexpired Term if the Lease remained in effect, computed using the discount rate of the Federal Reserve Bank of San Francisco at the time of the award plus one (1) percentage point (the "Discount Rate") or (B) twelve (12) months (or such lesser number of months as may then be remaining in the Term) of Base Rent and Additional Rent at the rate last payable by Tenant pursuant to this Lease, in either case as Landlord specifies in such election. Landlord and Tenant agree that the Election Amount represents a reasonable forecast of the minimum damages expected to occur in the event of a breach, taking into account the uncertainty, time and cost of determining elements relevant to actual damages, such as fair market rent, time and costs that may be required to re-lease the Premises, and other factors; and that the Election Amount is not a penalty.

As used in Section 31.6(c)(i), "worth at the time of award" shall be computed by allowing interest at the Default Rate.

31.7 In addition to any other remedies available to Landlord at law or in equity and under this Lease, Landlord may continue this Lease in effect after Tenant's Default or abandonment and recover Rent as it becomes due. In addition, Landlord shall not be liable in any way whatsoever for its failure or refusal to relet the Premises. For purposes of this Section, the following acts by Landlord will not constitute the termination of Tenant's right to possession of the Premises:

(a) Acts of maintenance or preservation or efforts to relet the Premises, including alterations, remodeling, redecorating, repairs, replacements or painting as Landlord shall consider advisable for the purpose of reletting the Premises or any part thereof; or

(b) The appointment of a receiver upon the initiative of Landlord to protect Landlord's interest under this Lease or in the Premises.

Notwithstanding the foregoing, in the event of a Default by Tenant, Landlord may elect at any time to terminate this Lease and to recover damages to which Landlord is entitled.

31.8 If Landlord does not elect to terminate this Lease as provided in Section 31.6, then Landlord may, from time to time, recover all Rent as it becomes due under this Lease. At any time thereafter, Landlord may elect to terminate this Lease and to recover damages to which Landlord is entitled.

31.9 In the event Landlord elects to terminate this Lease and relet the Premises, Landlord may execute any new lease in its own name. Tenant shall have no right or authority whatsoever to collect any Rent from such tenant. The proceeds of any such reletting shall be applied as follows:

(a) First, to the payment of any indebtedness other than Rent due hereunder from Tenant to Landlord, including storage charges or brokerage commissions owing from Tenant to Landlord as the result of such reletting;

(b) Second, to the payment of the costs and expenses of reletting the Premises, including (i) alterations and repairs that Landlord deems reasonably necessary and advisable and (ii) reasonable attorneys' fees, charges and disbursements incurred by Landlord in connection with the retaking of the Premises and such reletting;

(c) Third, to the payment of Rent and other charges due and unpaid hereunder; and

(d) Fourth, to the payment of future Rent and other damages payable by Tenant under this Lease.

31.10 All of Landlord's rights, options and remedies hereunder shall be construed and held to be nonexclusive and cumulative. Landlord shall have the right to pursue any one or all of such remedies, or any other remedy or relief that may be provided by Applicable Laws, whether or not stated in this Lease. No waiver of any default of Tenant hereunder shall be implied from any acceptance by Landlord of any Rent or other payments due hereunder or any omission by Landlord to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect defaults other than as specified in such waiver. Notwithstanding

any provision of this Lease to the contrary, in no event shall Landlord be required to mitigate its damages with respect to any default by Tenant, except as required by Applicable Laws. Any such obligation imposed by Applicable Laws upon Landlord to relet the Premises after any termination of this Lease shall be subject to the reasonable requirements of Landlord to (a) lease to high quality tenants on such terms as Landlord may from time to time deem appropriate in its discretion and (b) develop the Project in a harmonious manner with a mix of uses, tenants, floor areas, terms of tenancies, etc., as determined by Landlord. Landlord shall not be obligated to relet the Premises to (y) any Tenant's Affiliate or (z) any party (i) unacceptable to a Lender, (ii) that requires Landlord to make improvements to or re-demise the Premises, (iii) that desires to change the Permitted Use, (iv) that desires to lease the Premises for more or less than the remaining Term or (v) to whom Landlord or an affiliate of Landlord may desire to lease other available space in the Project or at another property owned by Landlord or an affiliate of Landlord.

31.11 Landlord's termination of (a) this Lease or (b) Tenant's right to possession of the Premises shall not relieve Tenant of any liability to Landlord that has previously accrued or that shall arise based upon events that occurred prior to the later to occur of (y) the date of Lease termination and (z) the date Tenant surrenders possession of the Premises.

31.12 To the extent permitted by Applicable Laws, Tenant waives any and all rights of redemption granted by or under any present or future Applicable Laws if Tenant is evicted or dispossessed for any cause, or if Landlord obtains possession of the Premises due to Tenant's default hereunder or otherwise.

31.13 Landlord shall not be in default or liable for damages under this Lease unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event shall such failure continue for more than thirty (30) days after written notice from Tenant specifying the nature of Landlord's failure; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In no event shall Tenant have the right to terminate or cancel this Lease or to withhold or abate rent or to set off any Claims against Rent as a result of any default or breach by Landlord of any of its covenants, obligations, representations, warranties or promises hereunder, except as may otherwise be expressly set forth in this Lease.

31.14 In the event of any default by Landlord, Tenant shall give notice by registered or certified mail or overnight delivery with a reputable overnight delivery service to any (a) beneficiary of a deed of trust or (b) mortgagee under a mortgage covering the Premises, the Building or the Project and to any landlord of any lease of land upon or within which the Premises, the Building or the Project is located, and shall offer such beneficiary, mortgagee or landlord a reasonable opportunity to cure the default, including time to obtain possession of the Building or the Project by power of sale or a judicial action if such should prove necessary to effect a cure; provided that Landlord shall furnish to Tenant in writing, upon written request by Tenant, the names and addresses of all such persons who are to receive such notices.

32. Bankruptcy. In the event a debtor, trustee or debtor in possession under the Bankruptcy Code, or another person with similar rights, duties and powers under any other Applicable Laws, proposes to cure any default under this Lease or to assume or assign this Lease and is obliged to provide adequate assurance to Landlord that (a) a default shall be cured, (b) Landlord shall be compensated for its damages arising from any breach of this Lease and (c) future performance of Tenant's obligations under this Lease shall occur, then such adequate assurances shall include any or all of the following, as designated by Landlord in its sole and absolute discretion:

32.1 Those acts specified in the Bankruptcy Code or other Applicable Laws as included within the meaning of "adequate assurance," even if this Lease does not concern a shopping center or other facility described in such Applicable Laws;

32.2 A prompt cash payment to compensate Landlord for any monetary defaults or actual damages arising directly from a breach of this Lease;

32.3 A cash deposit in an amount at least equal to the then-current amount of the Security Deposit; or

32.4 The assumption or assignment of all of Tenant's interest and obligations under this Lease.

33. Brokers.

33.1 Tenant represents and warrants that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease other than CBRE, Inc. ("Broker"), and that it knows of no other real estate broker or agent that is or might be entitled to a commission in connection with this Lease. Landlord shall compensate Broker in relation to this Lease pursuant to a separate agreement between Landlord and Broker.

33.2 Tenant represents and warrants that no broker or agent has made any representation or warranty relied upon by Tenant in Tenant's decision to enter into this Lease, other than as contained in this Lease.

33.3 Tenant acknowledges and agrees that the employment of brokers by Landlord is for the purpose of solicitation of offers of leases from prospective tenants and that no authority is granted to any broker to furnish any representation (written or oral) or warranty from Landlord unless expressly contained within this Lease. Landlord is executing this Lease in reliance upon Tenant's representations, warranties and agreements contained within Sections 33.1 and 33.2.

33.4 Tenant agrees to Indemnify the Landlord Indemnitees from any and all cost or liability for compensation claimed by any broker or agent, other than Broker, employed or engaged by Tenant or claiming to have been employed or engaged by Tenant.

34. Definition of Landlord. With regard to obligations imposed upon Landlord pursuant to this Lease, the term "Landlord," as used in this Lease, shall refer only to Landlord or Landlord's then-current successor-in-interest. In the event of any transfer, assignment or conveyance of Landlord's interest in this Lease or in Landlord's fee title to or leasehold interest in the Property, as applicable, Landlord herein named (and in case of any subsequent transfers or conveyances, the subsequent Landlord) shall be automatically freed and relieved, from and after the date of such transfer, assignment or conveyance, from all liability for the performance of any covenants or obligations contained in this Lease thereafter to be performed by Landlord and, without further

agreement, the transferee, assignee or conveyee of Landlord ‘s in this Lease or in Landlord’s fee title to or leasehold interest in the Property, as applicable, shall be deemed to have assumed and agreed to observe and perform any and all covenants and obligations of Landlord hereunder during the tenure of its interest in the Lease or the Property. Landlord or any subsequent Landlord may transfer its interest in the Premises or this Lease without Tenant’s consent.

35. Limitation of Landlord’s Liability.

35.1 If Landlord is in default under this Lease and, as a consequence, Tenant recovers a monetary judgment against Landlord, the judgment shall be satisfied only out of (a) the proceeds of sale received on execution of the judgment and levy against the right, title and interest of Landlord in the Building and the Project, (b) rent or other income from such real property receivable by Landlord or (c) the consideration received by Landlord from the sale, financing, refinancing or other disposition of all or any part of Landlord’s right, title or interest in the Building or the Project.

35.2 Neither Landlord nor any of its affiliates, nor any of their respective partners, shareholders, directors, officers, employees, members or agents shall be personally liable for Landlord’s obligations or any deficiency under this Lease, and service of process shall not be made against any shareholder, director, officer, employee or agent of Landlord or any of Landlord’s affiliates. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be sued or named as a party in any suit or action, and service of process shall not be made against any partner or member of Landlord except as may be necessary to secure jurisdiction of the partnership, joint venture or limited liability company, as applicable. No partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates shall be required to answer or otherwise plead to any service of process, and no judgment shall be taken or writ of execution levied against any partner, shareholder, director, officer, employee, member or agent of Landlord or any of its affiliates.

35.3 Each of the covenants and agreements of this Article shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by Applicable Laws and shall survive the expiration or earlier termination of this Lease.

36. Joint and Several Obligations. If more than one person or entity executes this Lease as Tenant, then:

36.1 Each of them is jointly and severally liable for the keeping, observing and performing of all of the terms, covenants, conditions, provisions and agreements of this Lease to be kept, observed or performed by Tenant, and such terms, covenants, conditions, provisions and agreements shall be binding with the same force and effect upon each and all of the persons executing this Agreement as Tenant; and

36.2 The term “Tenant,” as used in this Lease, means and includes each of them, jointly and severally. The act of, notice from, notice to, refund to, or signature of any one or more of them with respect to the tenancy under this Lease, including any renewal, extension, expiration, termination or modification of this Lease, shall be binding upon each and all of the persons executing this Lease as Tenant with the same force and effect as if each and all of them had so acted, so given or received such notice or refund, or so signed.

37. Representations. Tenant guarantees, warrants and represents that (a) Tenant is duly incorporated or otherwise established or formed and validly existing under the laws of its state of incorporation, establishment or formation, (b) Tenant has and is duly qualified to do business in the state in which the Property is located, (c) Tenant has full corporate, partnership, trust, association or other appropriate power and authority to enter into this Lease and to perform all Tenant's obligations hereunder, (d) each person (and all of the persons if more than one signs) signing this Lease on behalf of Tenant is duly and validly authorized to do so and (e) neither (i) the execution, delivery or performance of this Lease nor (ii) the consummation of the transactions contemplated hereby will violate or conflict with any provision of documents or instruments under which Tenant is constituted or to which Tenant is a party. In addition, Tenant guarantees, warrants and represents that none of (x) it, (y) its affiliates or partners nor (z) to the best of its knowledge, its members, shareholders or other equity owners or any of their respective employees, officers, directors, representatives or agents is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other similar governmental action.

38. Confidentiality. Tenant shall keep the terms and conditions of this Lease and any information provided to Tenant or its employees, agents or contractors pursuant to Article 9 confidential and shall not (a) disclose to any third party any terms or conditions of this Lease or any other Lease-related document (including subleases, assignments, work letters, construction contracts, letters of credit, subordination agreements, non-disturbance agreements, brokerage agreements or estoppels) or the contents of any documents, reports, surveys or evaluations related to the Project or any portion thereof or (b) provide to any third party an original or copy of this Lease (or any Lease-related document or other document referenced in Subsection 38(a)). Landlord shall not release to any third party any non-public financial information or non-public information about Tenant's ownership structure that Tenant gives Landlord. Notwithstanding the foregoing, confidential information under this Section may be released by Landlord or Tenant under the following circumstances: (w) if required by Applicable Laws or in any judicial proceeding; provided that the releasing party has given the other party reasonable notice of such requirement, if feasible, (x) to a party's attorneys, accountants, brokers, lenders, potential lenders, investors, potential investors and other bona fide consultants or advisers (with respect to this Lease only); provided such third parties agree to be bound by this Section, (y) to a party's lenders for purposes of financial reporting or (z) to bona fide prospective assignees or subtenants of this Lease; provided they agree in writing to be bound by this Section.

39. Notices. Except as otherwise stated in this Lease, any notice, consent, demand, invoice, statement or other communication required or permitted to be given hereunder shall be in writing and shall be given by (a) personal delivery, (b) overnight delivery with a reputable international overnight delivery service, such as FedEx, or (c) email transmission, so long as such transmission is followed within one (1) business day by delivery utilizing one of the methods described in Subsection 39(a) or (b), provided that, for purposes of this Subsection 39(c), if delivery utilizing

one of the other methods described in Subsection 39(a) or (b) is not reasonably practicable due to an event of Force Majeure (as defined below), then such requirement shall be waived for deliveries by email transmission so long as either the receiving party responds to the sending party confirming receipt of the applicable email transmission, or the sending party receives other electronic confirmation that the email transmission was received and read by the receiving party, such as a "read receipt" notice. Any such notice, consent, demand, invoice, statement or other communication shall be deemed delivered (x) upon receipt, if given in accordance with Subsection 39(a); (y) one (1) business day after deposit with a reputable international overnight delivery service, if given in accordance with Subsection 39(b); or (z) upon transmission, if given in accordance with Subsection 39(c). Except as otherwise stated in this Lease, any notice, consent, demand, invoice, statement or other communication required or permitted to be given pursuant to this Lease shall be addressed to Tenant at the Premises, or to Landlord or Tenant at the addresses shown in Sections 2.9 and 2.10 or 2.11, respectively. Either party may, by notice to the other given pursuant to this Section, specify additional or different addresses for notice purposes.

40. Miscellaneous.

40.1 Landlord reserves the right to change the name of the Building or the Project in its sole discretion.

40.2 To induce Landlord to enter into this Lease, Tenant agrees that it shall furnish to Landlord, from time to time, within ten (10) business days after receipt of Landlord's written request, given not more than once in any twelve-month period, the most recent year-end unconsolidated financial statements reflecting Tenant's current financial condition audited by a nationally recognized accounting firm. Tenant shall, within ninety (90) days after the end of Tenant's financial year, furnish Landlord with a certified copy of Tenant's year-end unconsolidated financial statements for the previous year audited by a nationally recognized accounting firm. Tenant represents and warrants that all financial statements, records and information furnished by Tenant to Landlord in connection with this Lease are true, correct and complete in all respects. If audited financials are not otherwise prepared, unaudited financials complying with generally accepted accounting principles and certified by the chief financial officer of Tenant as true, correct and complete in all respects shall suffice for purposes of this Section. If Tenant fails to deliver to Landlord any financial statement within the time period required under this Section, then Tenant shall be required to pay to Landlord an administrative fee equal to Five Hundred Dollars ($500) within five (5) business days after receiving written notice from Landlord advising Tenant of such failure (provided, however, that Landlord's acceptance of such fee shall not prevent Landlord from pursuing any other rights or remedies under this Lease, at law or in equity). The provisions of this Section shall not apply at any time while Tenant is a corporation whose shares are traded on any nationally recognized stock exchange.

40.3 Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option for a lease, and shall not be effective as a lease or otherwise until execution by and delivery to both Landlord and Tenant.

40.4 The terms of this Lease are intended by the parties as a final, complete and exclusive expression of their agreement with respect to the terms that are included herein, and may not be contradicted or supplemented by evidence of any other prior or contemporaneous agreement.

40.5 Upon the request of either Landlord or Tenant, the parties shall execute a document in recordable form containing only such information as is necessary to constitute a Notice of Lease under Massachusetts law. All costs of preparing and recording such notice shall be borne by the requesting party. Within ten (10) days after receipt of written request from Landlord after the expiration or earlier termination of this Lease, Tenant shall execute a termination of any Notice of Lease recorded with respect hereto. Neither party shall record this Lease.

40.6 Where applicable in this Lease, the singular includes the plural and the masculine or neuter includes the masculine, feminine and neuter. The words "include," "includes," "included" and "including" mean "'include,' etc., without limitation." The word "shall" is mandatory and the word "may" is permissive. The word "business day" means a calendar day other than any national or local holiday on which federal government agencies in the County of Suffolk are closed for business, or any weekend. The section headings of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of this Lease. Landlord and Tenant have each participated in the drafting and negotiation of this Lease, and the language in all parts of this Lease shall be in all cases construed as a whole according to its fair meaning and not strictly for or against either Landlord or Tenant.

40.7 Except as otherwise expressly set forth in this Lease, each party shall pay its own costs and expenses incurred in connection with this Lease and such party's performance under this Lease; provided that, if either party commences an action, proceeding, demand, claim, action, cause of action or suit against the other party arising from or in connection with this Lease, then the substantially prevailing party shall be reimbursed by the other party for all reasonable costs and expenses, including reasonable attorneys' fees and expenses, incurred by the substantially prevailing party in such action, proceeding, demand, claim, action, cause of action or suit, and in any appeal in connection therewith (regardless of whether the applicable action, proceeding, demand, claim, action, cause of action, suit or appeal is voluntarily withdrawn or dismissed). In addition, Landlord shall, upon demand, be entitled to all reasonable attorneys' fees and all other reasonable costs incurred in the preparation and service of any notice or demand hereunder, regardless of whether a legal action is subsequently commenced, or incurred in connection with any proceeding in bankruptcy court concerning this Lease.

40.8 Time is of the essence with respect to the performance of every provision of this Lease.

40.9 Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

40.10 Notwithstanding anything to the contrary contained in this Lease, Tenant's obligations under this Lease are independent and shall not be conditioned upon performance by Landlord.

40.11 Any provision of this Lease that shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and all other provisions of this Lease shall remain in full force and effect and shall be interpreted as if the invalid, void or illegal provision did not exist.

40.12 Each of the covenants, conditions and agreements herein contained shall inure to the benefit of and shall apply to and be binding upon the parties hereto and their respective heirs; legatees; devisees; executors; administrators; and permitted successors and assigns. This Lease is for the sole benefit of the parties and their respective heirs, legatees, devisees, executors, administrators and permitted successors and assigns, and nothing in this Lease shall give or be construed to give any other person or entity any legal or equitable rights. Nothing in this Section shall in any way alter the provisions of this Lease restricting assignment or subletting.

40.13 This Lease shall be governed by, construed and enforced in accordance with the laws of the state in which the Premises are located, without regard to such state's conflict of law principles.

40.14 Tenant guarantees, warrants and represents that the individual or individuals signing this Lease have the power, authority and legal capacity to sign this Lease on behalf of and to bind all entities, corporations, partnerships, limited liability companies, joint venturers or other organizations and entities on whose behalf such individual or individuals have signed.

40.15 This Lease may be executed in one or more counterparts, each of which, when taken together, shall constitute one and the same document.

40.16 No provision of this Lease may be modified, amended or supplemented except by an agreement in writing signed by Landlord and Tenant.

40.17 No waiver of any term, covenant or condition of this Lease shall be binding upon Landlord unless executed in writing by Landlord. The waiver by Landlord of any breach or default of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of any preceding or subsequent breach or default of such term, covenant or condition or any other term, covenant or condition of this Lease.

40.18 To the extent permitted by Applicable Laws, the parties waive trial by jury in any action, proceeding or counterclaim brought by the other party hereto related to matters arising from or in any way connected with this Lease; the relationship between Landlord and Tenant; Tenant's use or occupancy of the Premises; or any claim of injury or damage related to this Lease or the Premises.

40.19 A facsimile, electronic or portable document format (PDF) signature on this Lease or any other document required or permitted by this Lease to be delivered by Landlord or Tenant shall be equivalent to, and have the same force and effect as, an original signature.

40.20 For purposes of this Lease, "Force Majeure" means accidents; breakage; casualties (to the extent not caused by the party claiming Force Majeure); Severe Weather Conditions (as defined below); physical natural disasters (but excluding weather conditions that are not Severe Weather Conditions); strikes, lockouts or other labor disturbances or labor disputes (other than labor disturbances and labor disputes resulting solely from the acts or omissions of the party claiming Force Majeure); acts of terrorism; riots or civil disturbances; wars or insurrections; plagues, epidemics, pandemics, or public health crises (including regulations, actions or delays by Governmental Authorities resulting from any such plague, epidemic, pandemic or public health crisis); shortages of materials and supply chain disruptions (which shortages and disruptions are

not unique to the party claiming Force Majeure); regulations, moratoria or other actions, inactions or delays by Governmental Authorities, provided that any delay by a Governmental Authority in issuing any required permit or approval is not caused by the failure of the party claiming Force Majeure to timely submit a complete application for such permit or approval in compliance with Applicable Laws; failures by third parties to deliver gas, oil or another suitable fuel supply, or inability of the party claiming Force Majeure, by exercise of reasonable diligence, to obtain gas, oil or another suitable fuel; or other causes beyond the reasonable control of the party claiming that Force Majeure has occurred. "Severe Weather Conditions" means weather conditions that are materially worse than those that would be reasonably anticipated for the Property at the applicable time based on historic meteorological records. Notwithstanding anything in this Lease to the contrary, events of Force Majeure shall excuse timely performance of a party hereunder (other than either party's obligation to pay any amounts hereunder, which shall not be excused by Force Majeure) for a period equal to the delay caused thereby and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by an event of Force Majeure. Each party claiming any delay as a result of Force Majeure shall notify the other party in writing within ten (10) business days after it acquires actual knowledge of the event constituting an event of Force Majeure, which written notice shall state in reasonable detail the nature of such event, the reason(s) that such event constitutes an event of Force Majeure, and the manner in which such event has or will delay performance of the claiming party's obligations hereunder.

41. Rooftop Installation Area.

41.1 Tenant shall not have the right to install any equipment on the roof of the Building without Landlord's consent in its sole discretion. In the event that Landlord identifies portions of the Building (the "Rooftop Installation Area") to be used to operate, maintain, repair and replace rooftop antennae, mechanical equipment, communications antennas and other equipment installed by Tenant in the Rooftop Installation Area ("Tenant's Rooftop Equipment"), the provisions of this Article shall apply. Tenant's Rooftop Equipment shall be only for Tenant's use of the Premises for the Permitted Use.

41.2 Tenant shall install Tenant's Rooftop Equipment at its sole cost and expense, at such times and in such manner as Landlord may reasonably designate, and in accordance with this Article and the applicable provisions of this Lease regarding Alterations. Tenant's Rooftop Equipment and the installation thereof shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld. Among other reasons, Landlord may withhold approval if the installation or operation of Tenant's Rooftop Equipment could reasonably be expected to damage the structural integrity of the Building or to transmit vibrations or noise or cause other adverse effects beyond the Premises to an extent not customary in first class laboratory buildings, unless Tenant implements measures that are acceptable to Landlord in its reasonable discretion to avoid any such damage or transmission.

41.3 Tenant shall comply with any roof or roof-related warranties. Tenant shall obtain a letter from Landlord's roofing contractor within thirty (30) days after completion of any Tenant work on the rooftop stating that such work did not affect any such warranties. Tenant, at its sole cost and expense, shall inspect the Rooftop Installation Area at least annually, and correct any loose bolts, fittings or other appurtenances and repair any damage to the roof arising from the

installation or operation of Tenant's Rooftop Equipment. Tenant shall not permit the installation, maintenance or operation of Tenant's Rooftop Equipment to violate any Applicable Laws or constitute a nuisance. Tenant shall pay Landlord within thirty (30) days after demand (a) all applicable taxes, charges, fees or impositions imposed on Landlord by Governmental Authorities as the result of Tenant's use of the Rooftop Installation Areas in excess of those for which Landlord would otherwise be responsible for the use or installation of Tenant's Rooftop Equipment and (b) the amount of any increase in Landlord's insurance premiums as a result of the installation of Tenant's Rooftop Equipment. Upon Tenant's written request to Landlord, Landlord shall use commercially reasonable efforts to cause other tenants to remedy any interference in the operation of Tenant's Rooftop Equipment arising from any such tenants' equipment installed after the applicable piece of Tenant's Rooftop Equipment; provided, however, that Landlord shall not be required to request that such tenants waive their rights under their respective leases.

41.4 If Tenant's Equipment (a) causes physical damage to the structural integrity of the Building, (b) interferes with any telecommunications, mechanical or other systems located at or near or servicing the Building or the Project that were installed prior to the installation of Tenant's Rooftop Equipment, (c) interferes with any other service provided to other tenants in the Building or the Project by rooftop or penthouse installations that were installed prior to the installation of Tenant's Rooftop Equipment or (d) interferes with any other tenants' business, in each case in excess of that permissible under Federal Communications Commission regulations, then Tenant shall cooperate with Landlord to determine the source of the damage or interference and promptly repair such damage and eliminate such interference, in each case at Tenant's sole cost and expense, within ten (10) days after receipt of notice of such damage or interference (which notice may be oral; provided that Landlord also delivers to Tenant written notice of such damage or interference within twenty-four (24) hours after providing oral notice).

41.5 Landlord reserves the right to cause Tenant to relocate Tenant's Rooftop Equipment to comparably functional space on the roof or in the penthouse of the Building by giving Tenant prior written notice thereof. Landlord agrees to pay the reasonable costs thereof. Tenant shall arrange for the relocation of Tenant's Rooftop Equipment within sixty (60) days after receipt of Landlord's notification of such relocation. In the event Tenant fails to arrange for relocation within such sixty (60)-day period, Landlord shall have the right to arrange for the relocation of Tenant's Rooftop Equipment in a manner that does not unnecessarily interrupt or interfere with Tenant's use of the Premises for the Permitted Use.

42. Option to Extend Term. Tenant shall have one (1) option ("Option") to extend the Term by five (5) years as to the entire Premises (and no less than the entire Premises) upon the following terms and conditions, provided that Tenant is personally occupying seventy-five percent (75%) or more of the Premises on the date the Option is exercised and on the commencement of the Option term. Any extension of the Term pursuant to the Option shall be on all the same terms and conditions as this Lease, except as follows:

42.1 Base Rent at the commencement of the Option term shall equal the greater of (a) the then-current Base Rent and (b) the then-current fair market value for comparable office and laboratory space in the Boston market of comparable age, quality, level of finish and proximity to amenities and public transit, and containing the systems and improvements present in the Premises as of the date that Tenant gives Landlord written notice of Tenant's election to exercise the Option

("FMV"), and shall be further increased on each annual anniversary of the Option term commencement date by FMV market escalations. Tenant may, no more than fourteen (14) months prior to the date the Term is then scheduled to expire, request Landlord's estimate of the FMV for the Option term. Landlord shall, within fifteen (15) days after receipt of such request, give Tenant a written proposal of such FMV. If Tenant gives written notice to exercise the Option, such notice shall specify whether Tenant accepts Landlord's proposed estimate of FMV. If Tenant does not accept the FMV, then the parties shall endeavor to agree upon the FMV, taking into account all relevant factors, including (v) the size of the Premises, (w) the length of the Option term, (x) rent in comparable buildings in the relevant market, including concessions offered to new tenants, such as free rent, tenant improvement allowances and moving allowances, (y) Tenant's creditworthiness and (z) the quality and location of the Building and the Project. In the event that the parties are unable to agree upon the FMV within thirty (30) days after Tenant notifies Landlord that Tenant is exercising the Option, then either party may request that the same be determined as follows: a senior officer of a nationally recognized leasing brokerage firm with local knowledge of the Boston laboratory/research and development leasing market (the "Baseball Arbitrator") shall be selected and paid for jointly by Landlord and Tenant. If Landlord and Tenant are unable to agree upon the Baseball Arbitrator, then the same shall be designated by the local chapter of the Judicial Arbitration and Mediation Services or any successor organization thereto (the "JAMS"). The Baseball Arbitrator selected by the parties or designated by JAMS shall (y) have at least ten (10) years' experience in the leasing of laboratory/research and development space in the Boston market and (z) not have been employed or retained by either Landlord or Tenant or any affiliate of either for a period of at least ten (10) years prior to appointment pursuant hereto. Each of Landlord and Tenant shall submit to the Baseball Arbitrator and to the other party its determination of the FMV. The Baseball Arbitrator shall grant to Landlord and Tenant a hearing and the right to submit evidence. The Baseball Arbitrator shall determine which of the two (2) FMV determinations more closely represents the actual FMV. The arbitrator may not select any other FMV for the Premises other than one submitted by Landlord or Tenant. The FMV selected by the Baseball Arbitrator shall be binding upon Landlord and Tenant and shall serve as the basis for determination of Base Rent payable for the Option term. If, as of the commencement date of the Option term, the amount of Base Rent payable during the Option term shall not have been determined, then, pending such determination, Tenant shall pay Base Rent equal to the Base Rent payable with respect to the last year of the then-current Term. After the final determination of Base Rent payable for the Option term, the parties shall promptly execute a written amendment to this Lease specifying the amount of Base Rent to be paid during the Option term. Any failure of the parties to execute such amendment shall not affect the validity of the FMV determined pursuant to this Section.

42.2 The Option is not assignable separate and apart from this Lease.

42.3 The Option is conditional upon Tenant giving Landlord written notice of its election to exercise the Option at least twelve (12) months prior to the end of the expiration of the then-current Term. Time shall be of the essence as to Tenant's exercise of the Option. Tenant assumes full responsibility for maintaining a record of the deadlines to exercise the Option. Tenant acknowledges that it would be inequitable to require Landlord to accept any exercise of the Option after the date provided for in this Section.

42.4 Notwithstanding anything contained in this Article to the contrary, Tenant shall not have the right to exercise the Option:

(a) During the time commencing from the date Landlord delivers to Tenant a written notice that Tenant is in default under any provisions of this Lease and continuing until Tenant has cured the specified default to Landlord's reasonable satisfaction; or

(b) At any time after any Default as described in Article 31 of the Lease (provided, however, that, for purposes of this Section 42.4(b), Landlord shall not be required to provide Tenant with notice of such Default) and continuing until Tenant cures any such Default, if such Default is susceptible to being cured; or

(c) In the event that Tenant has defaulted in the performance of its obligations under this Lease with respect to monetary or material non-monetary obligations two (2) or more times during the twelve (12)-month period immediately prior to the date that Tenant intends to exercise the Option, whether or not Tenant has cured such defaults.

42.5 The period of time within which Tenant may exercise the Option shall not be extended or enlarged by reason of Tenant's inability to exercise such Option because of the provisions of Section 42.4.

42.6 All of Tenant's rights under the provisions of the Option shall terminate and be of no further force or effect even after Tenant's due and timely exercise of the Option if, after such exercise, but prior to the commencement date of the new term, (a) Tenant fails to pay to Landlord a monetary obligation of Tenant for a period of twenty (20) days after written notice from Landlord to Tenant, or (b) Tenant fails to commence to cure a default (other than a monetary default) within thirty (30) days after the date Landlord gives notice to Tenant of such default or (c) Tenant has defaulted under this Lease with respect to monetary or material non-monetary obligations two (2) or more times and a service or late charge under Section 31.1 has become payable for any such default, whether or not Tenant has cured such defaults.

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IN WITNESS WHEREOF, the parties hereto have executed this Lease as a sealed Massachusetts instrument as of the date first above written.

LANDLORD:

B9 LS HARRISON & WASHINGTON LLC,
a Delaware limited liability company

By: /s/ Colleen O'Connor
Name: Colleen O'Connor
Title: VP, Leasing, East Coast and UK Markets

TENANT:

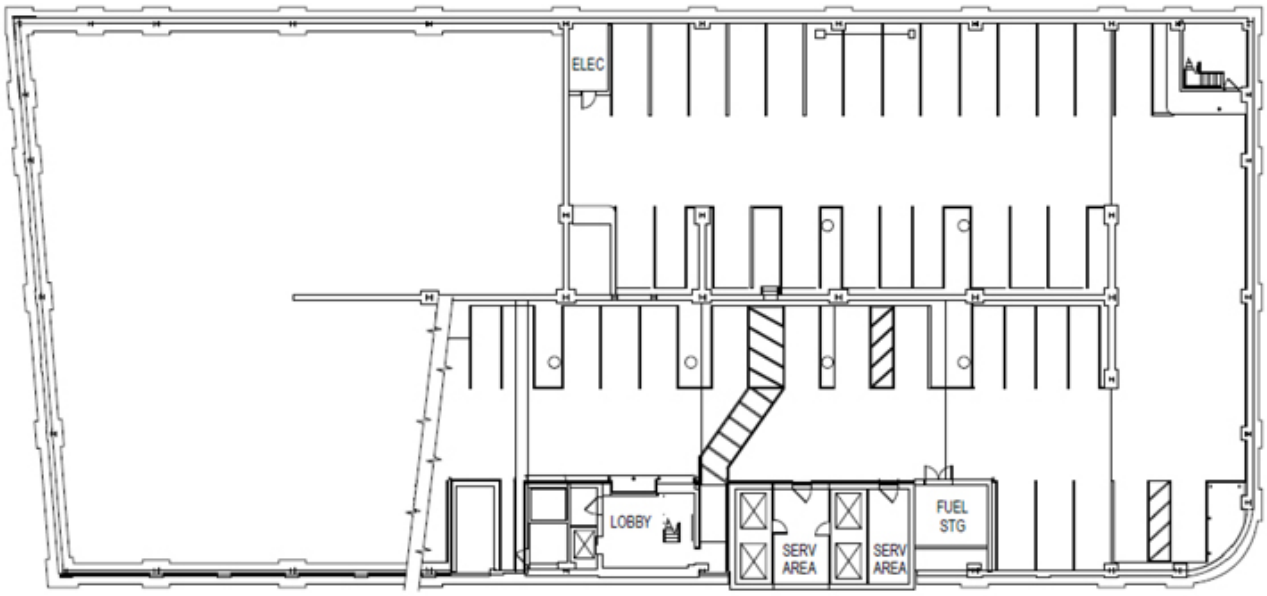
PEPGEN, INC.,
a Delaware corporation

By: /s/ James McArthur
Name: James McArthur
Title: CEO

EXHIBIT A

PREMISES

A-1



PROJECT NORTH
True North

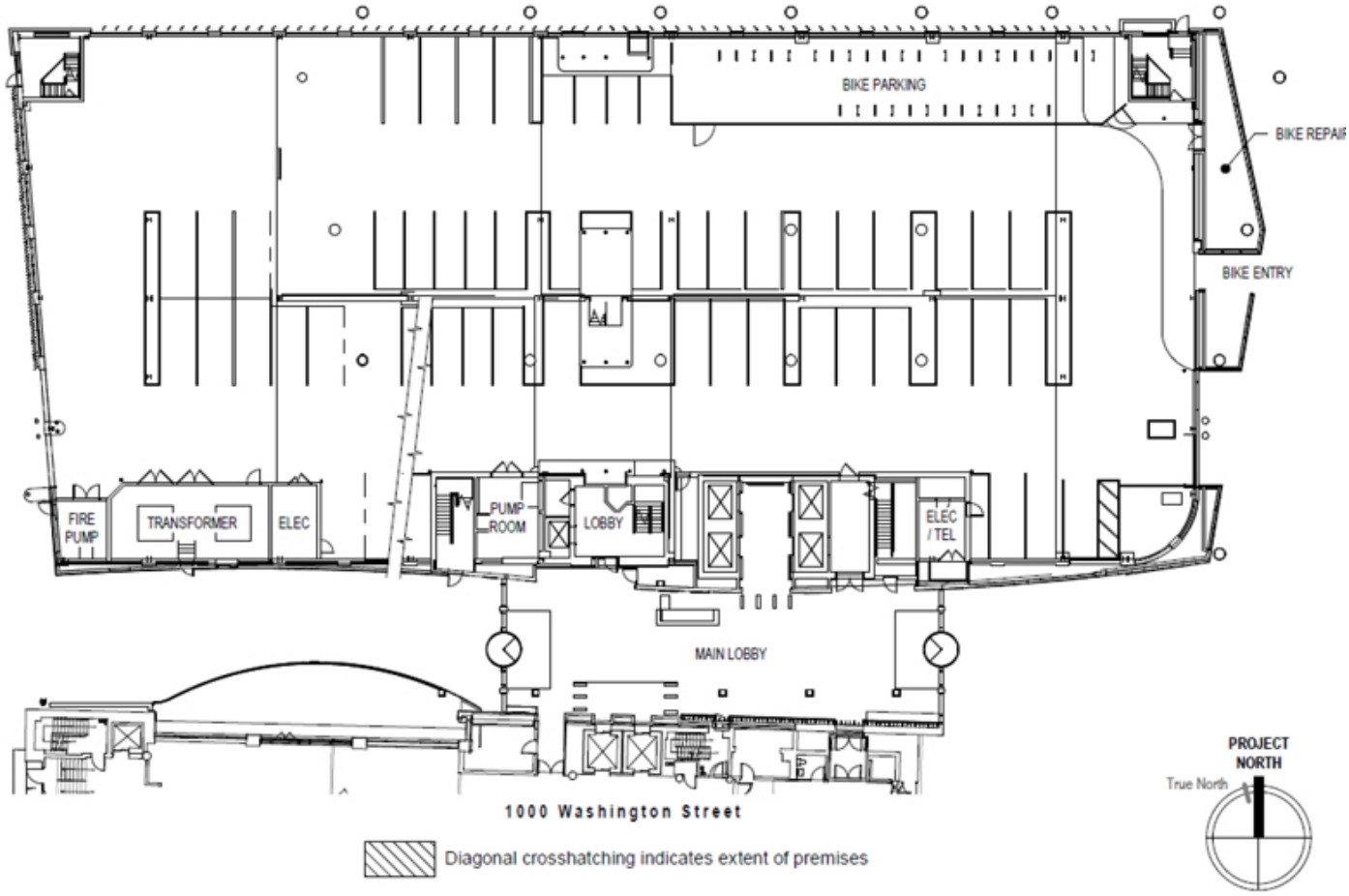
Diagonal crosshatching indicates extent of premises

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800
321 Harrison Avenue
Boston, MA

Approximate Scale: 1/32" = 1'-0"
Lower Level
27 October 2021



BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800

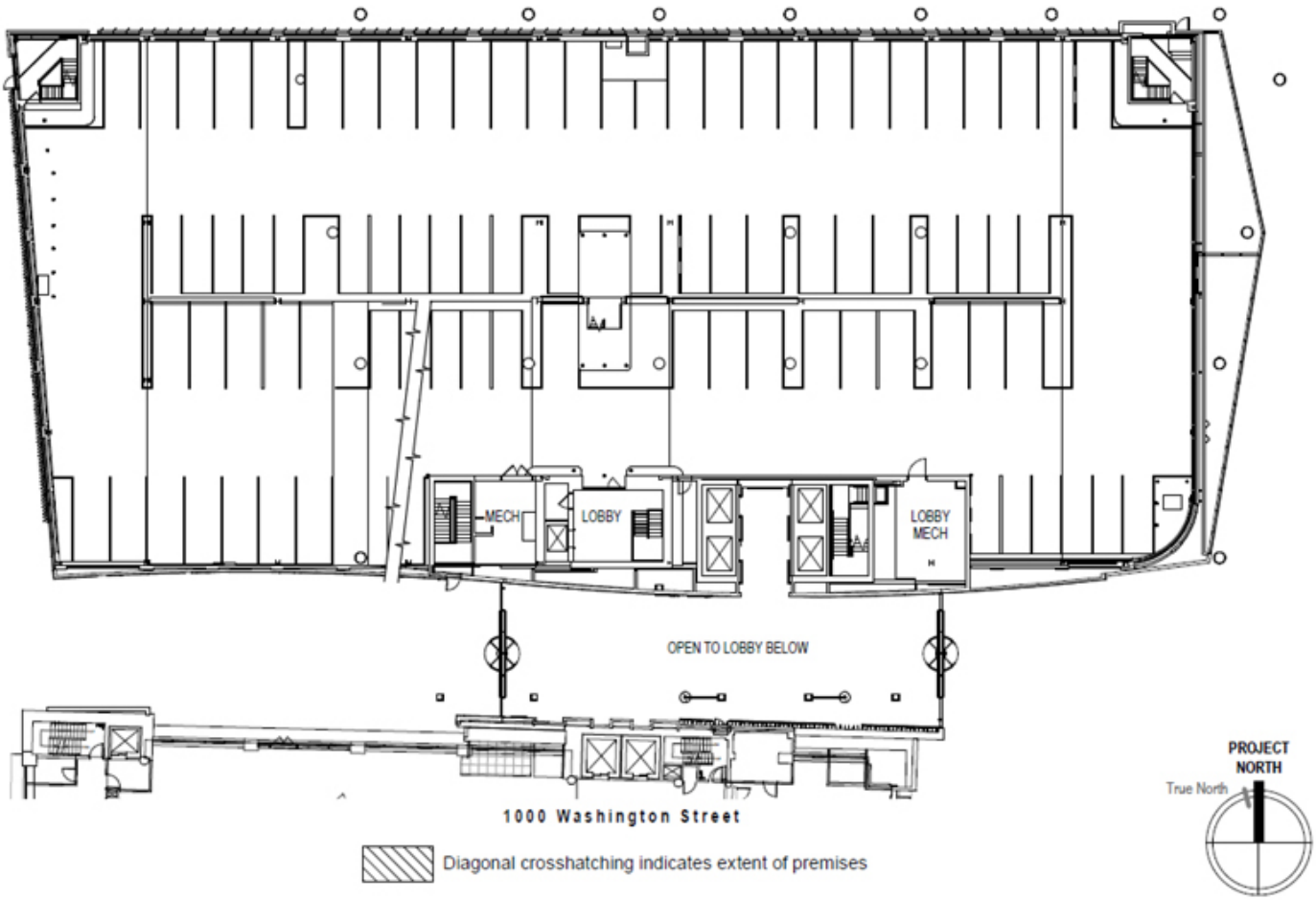
321 Harrison Avenue

Boston, MA

Approximate Scale: 1/32" = 1'-0"

Level 1

27 October 2021



BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800

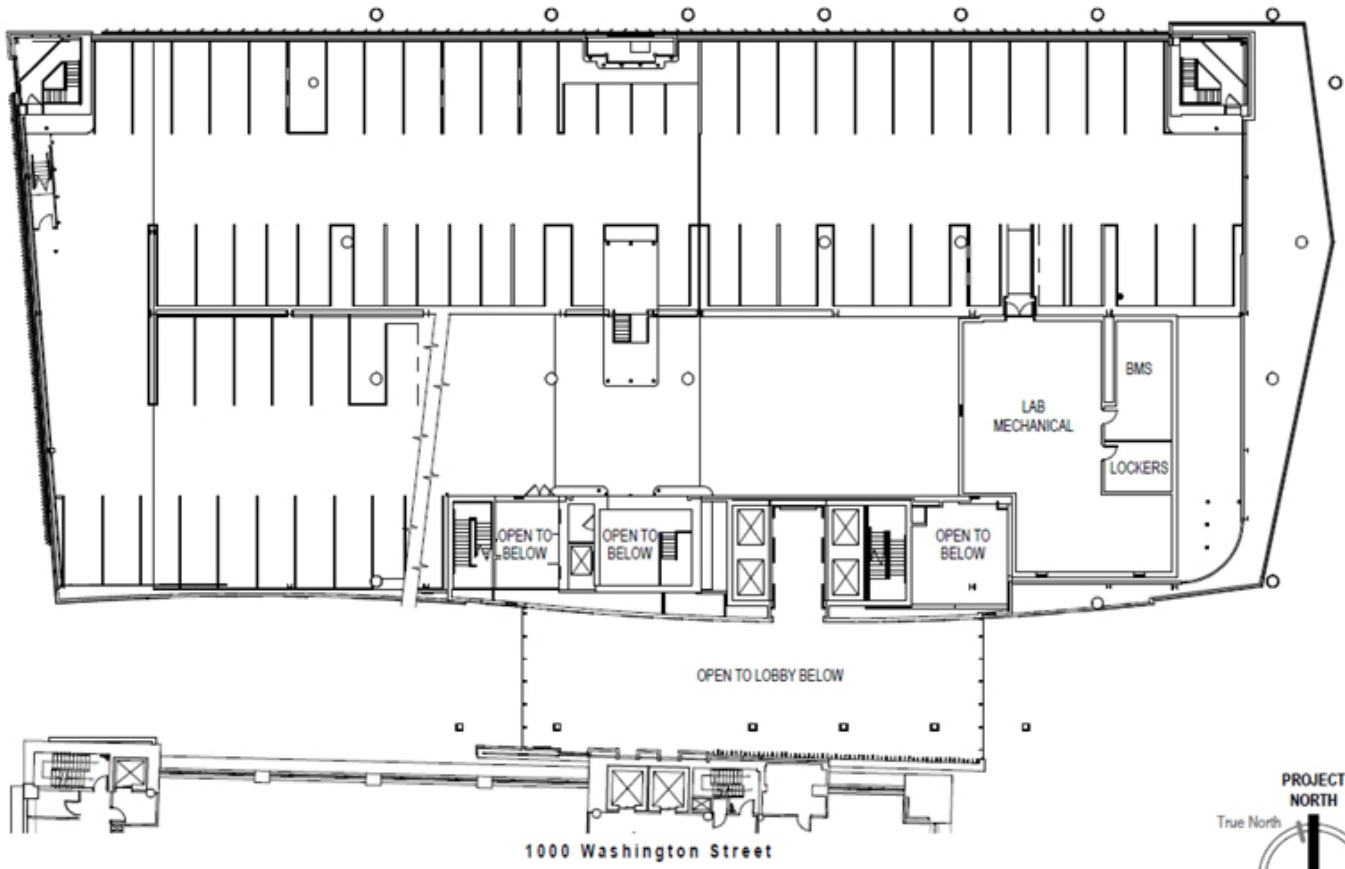
321 Harrison Avenue

Boston, MA

Approximate Scale: 1/32" = 1'-0"

Level 2

27 October 2021



Diagonal crosshatching indicates extent of premises

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800

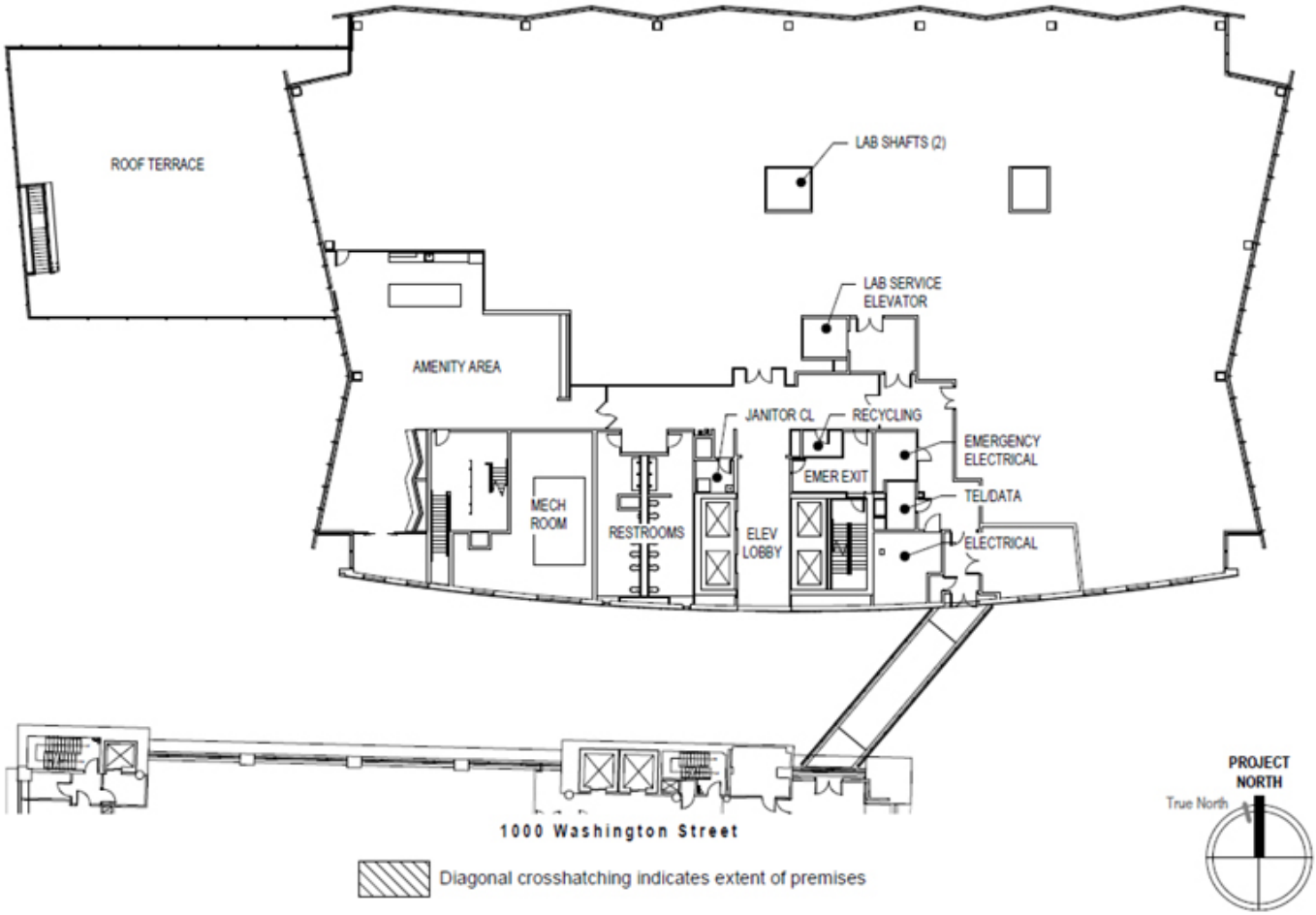
321 Harrison Avenue

Boston, MA

Approximate Scale: 1/32" = 1'-0"

Level 3

27 October 2021



Diagonal crosshatching indicates extent of premises

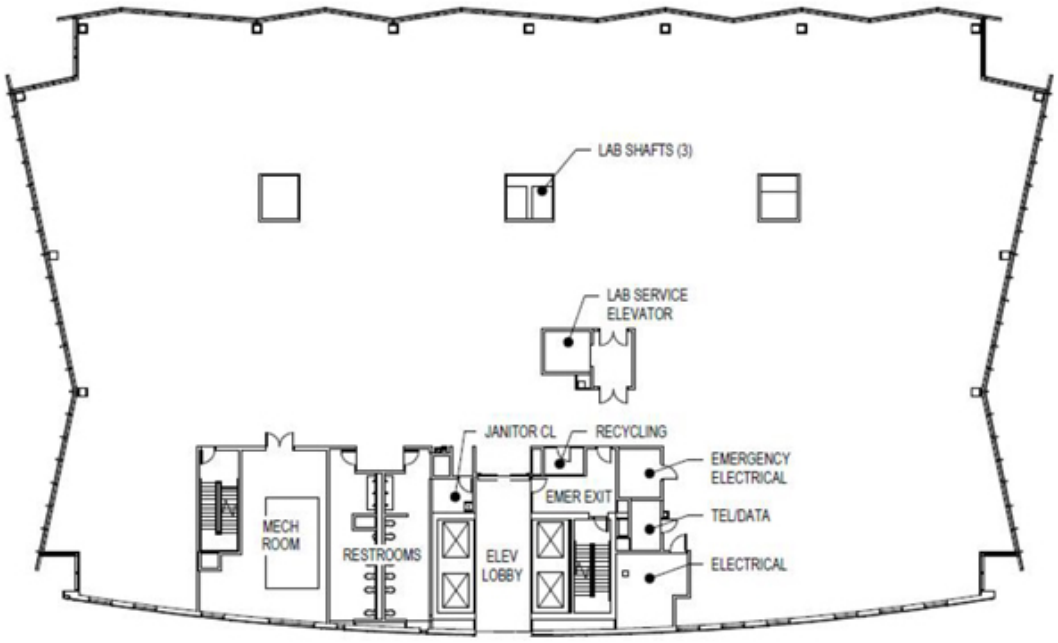
PROJECT NORTH
True North

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800
321 Harrison Avenue
Boston, MA

Approximate Scale: 1/32" = 1'-0"
Level 4
27 October 2021



PROJECT NORTH
True North

Diagonal crosshatching indicates extent of premises

BioMed Realty

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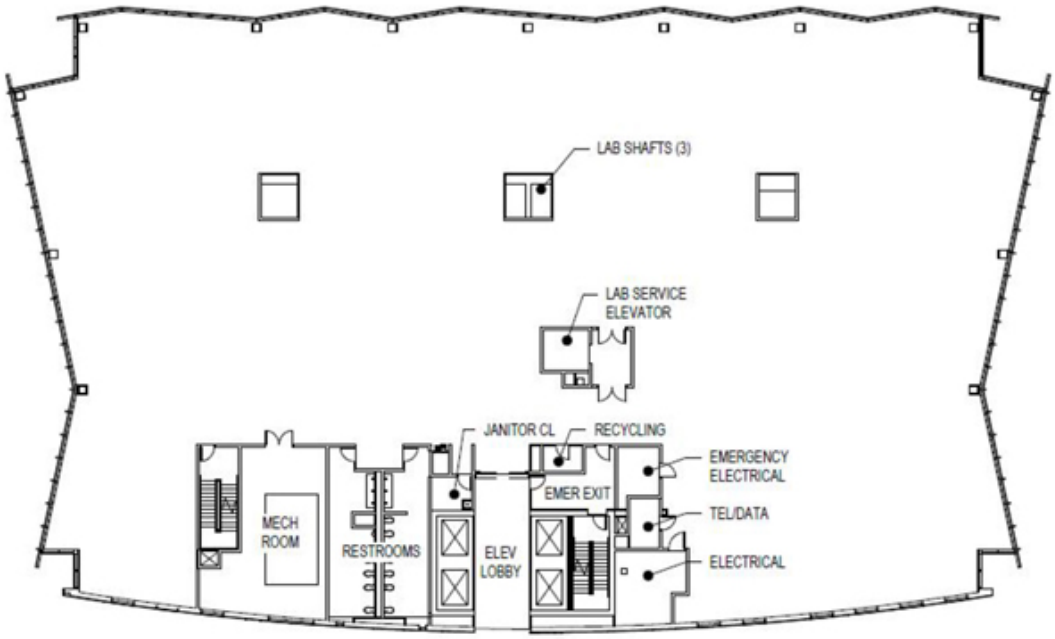
Premises Plans - Tenant 800
321 Harrison Avenue
Boston, MA

Approximate Scale: 1/32" = 1'-0"
Level 5
27 October 2021



PROJECT NORTH
True North

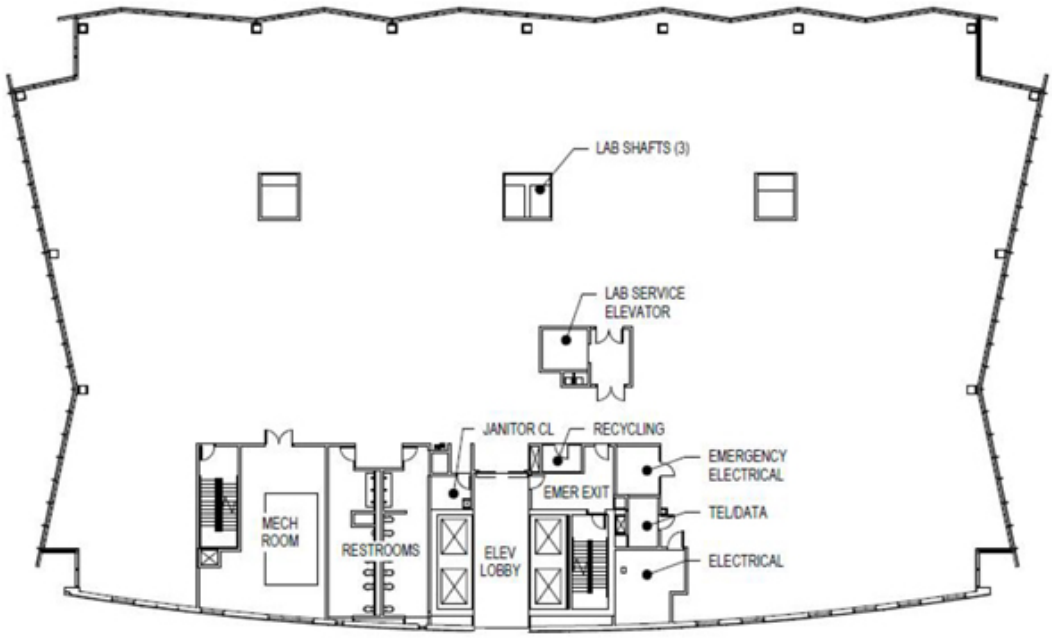
Diagonal crosshatching indicates extent of premises

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800
321 Harrison Avenue
Boston, MA

Approximate Scale: 1/32" = 1'-0"
Level 6
27 October 2021



PROJECT NORTH
True North

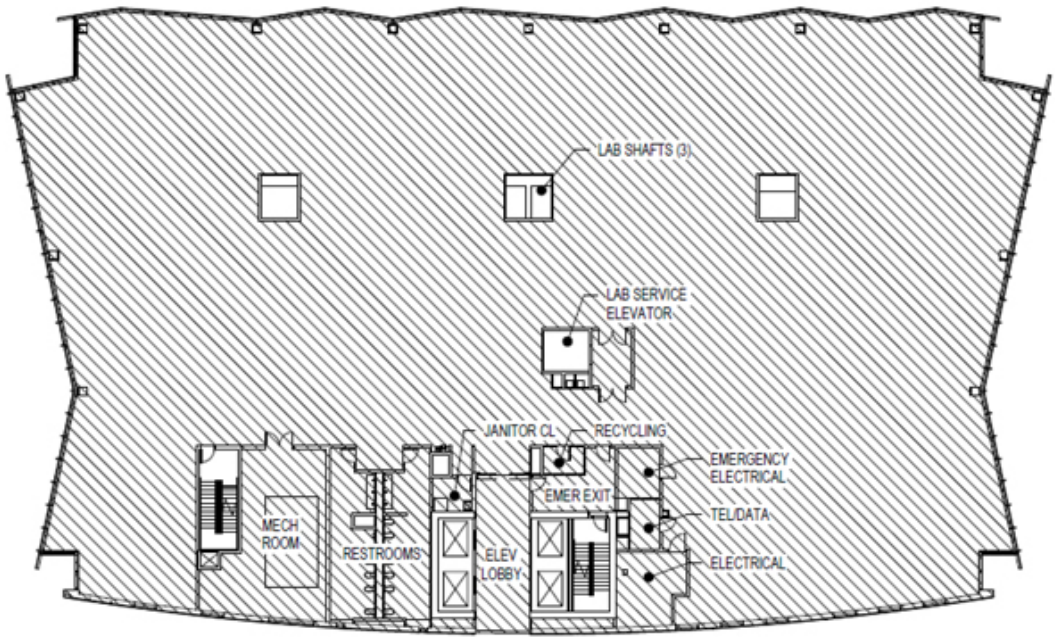
Diagonal crosshatching indicates extent of premises

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800
321 Harrison Avenue
Boston, MA

Approximate Scale: 1/32" = 1'-0"
Level 7
27 October 2021



PROJECT NORTH
True North

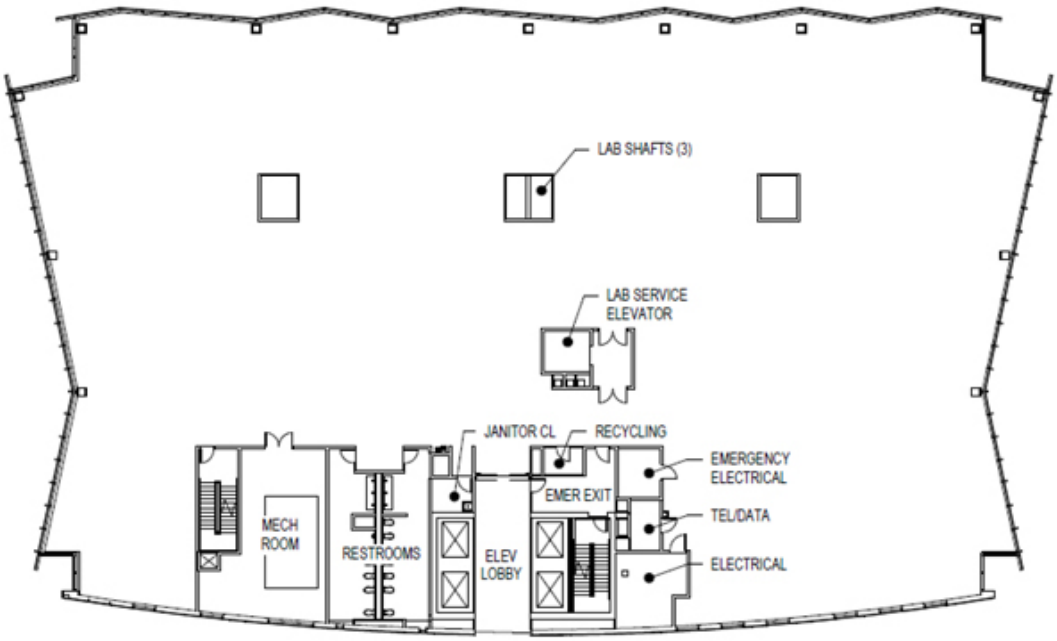
Diagonal crosshatching indicates extent of premises

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800
321 Harrison Avenue
Boston, MA

Approximate Scale: 1/32" = 1'-0"
Level 8
27 October 2021



PROJECT NORTH

True North

Diagonal crosshatching indicates extent of premises

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800

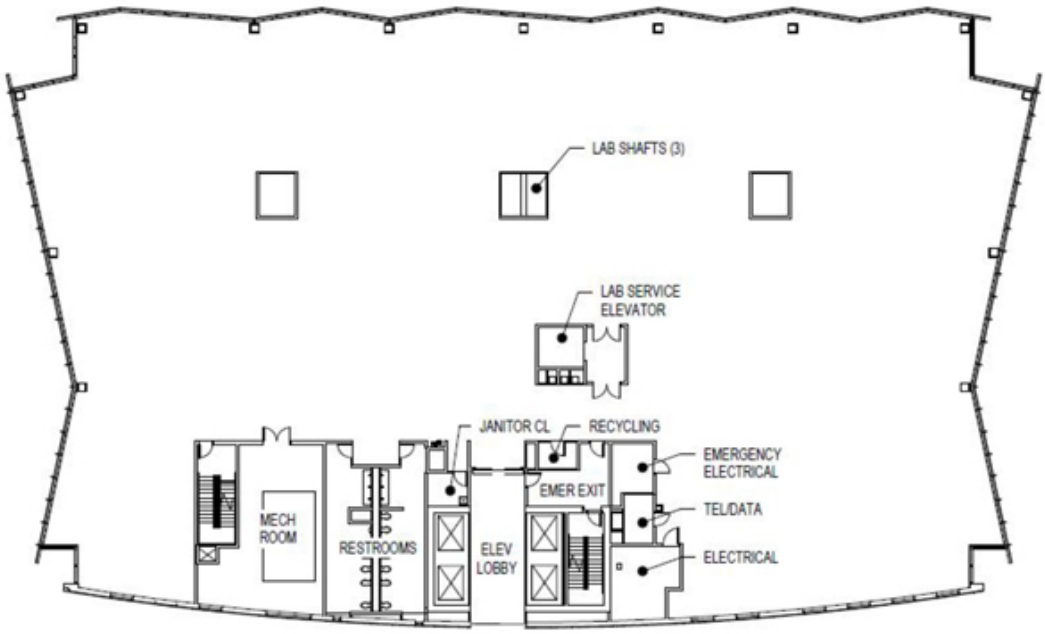
321 Harrison Avenue

Boston, MA

Approximate Scale: 1/32" = 1'-0"

Level 9

27 October 2021



PROJECT NORTH
True North

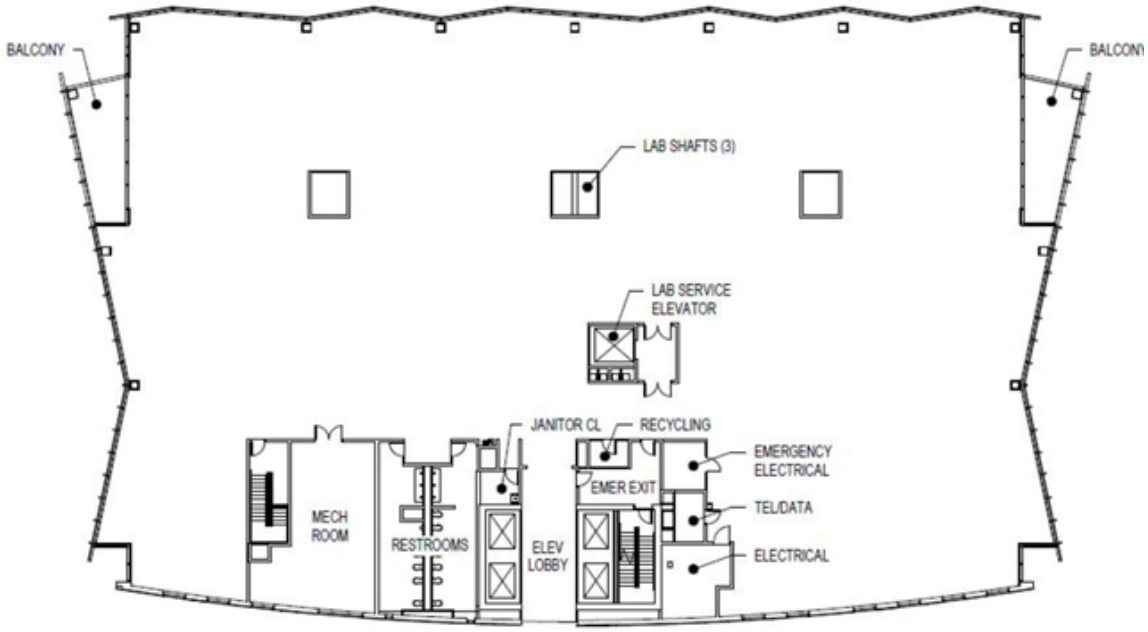
Diagonal crosshatching indicates extent of premises

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800
321 Harrison Avenue
Boston, MA

Approximate Scale: 1/32" = 1'-0"
Level 10
27 October 2021



PROJECT NORTH
True North

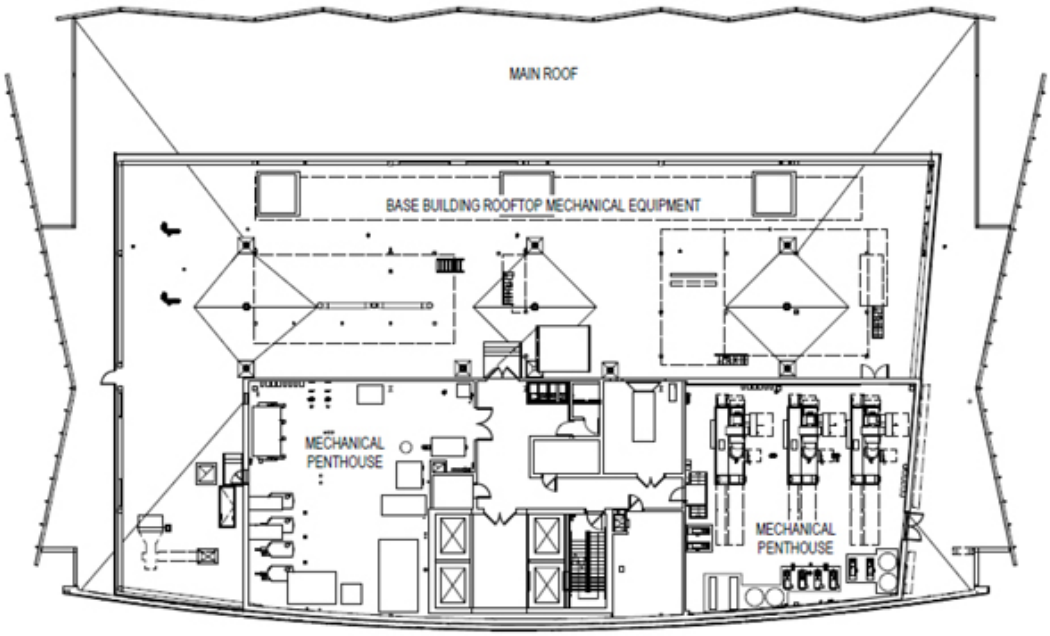
Diagonal crosshatching indicates extent of premises

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800
321 Harrison Avenue
Boston, MA

Approximate Scale: 1/32" = 1'-0"
Level 11
27 October 2021



PROJECT NORTH
True North

Diagonal crosshatching indicates extent of premises

BioMed Realty

prepared by PFBCDA Consulting | Design | Advising

Premises Plans - Tenant 800
321 Harrison Avenue
Boston, MA

Approximate Scale: 1/32" = 1'-0"
Penthouse
27 October 2021

EXHIBIT A-1

PROPERTY

A certain parcel of land with the buildings thereon numbered 311-321 Harrison Avenue, situated in the City of Boston, County of Suffolk in the Commonwealth of Massachusetts, which Parcel is shown on a Plan by BSC Group, entitled, "Consolidation Plan of Land; 311-321 Harrison Avenue in Boston, Massachusetts (Suffolk County)", dated August 21, 2006 and recorded with the Suffolk Registry of Deeds as Plan No. 882 of 2006, and bounded and described as follows:

Beginning at the Southwest corner of the Parcel, said corner being the intersection of the Easterly line of Washington Street with the Northerly line of William E. Mullins Way, said point being the point of Beginning; thence

N 14° 58' 41" E a distance of one hundred twelve and ten hundredths feet (112.10) to a point; thence

S 73° 22' 25" E a distance of five and three hundredths feet (5.03) to a point; thence

N 10° 15' 59" E a distance of twenty-four and fourteen hundredths feet (24.14) to a point; thence

N 10° 19' 19" E a distance of one hundred twenty and eighty hundredths feet (120.80) to a point of curvature;

The Previous four (4) Courses Bounding on the Easterly line of said Washington Street; thence

Northeasterly and curving to the right along the arc of a curve having a radius of twenty and no hundredths feet (20.00), a length of thirty-three and five hundredths feet (33.05) to a point on the Southerly sideline of Herald Street; thence

S 74° 59' 19" E a distance of two hundred sixty-two and fifty-five hundredths feet (262.55) along said Southerly line of Herald Street to a point of curvature; thence

Southeasterly and curving to the right along the arc of a curve having a radius of Twenty and no hundredths feet (20.00), a length of thirty-one and eighty-six hundredths feet (31.86) to a point on the Westerly sideline of Harrison Street; thence

S 16° 17' 05" W a distance of one hundred ninety-two and twenty-nine hundredths feet (192.29) to a point; thence

S 72° 50' 03" E a distance of ten and no hundredths feet (10.00) to a point; thence

S 16° 17' 05" W a distance of nineteen and thirty-one hundredths feet (19.31) to a point; thence

N 72° 45' 55" W a distance of ten and no hundredths feet (10.00) to a point; thence

S 16° 17' 05" W a distance of thirty-eight and no hundredths feet (38.00) to a point of curvature;

The Previous five (5) Courses Bounding on said Westerly line of Harrison Avenue; thence

Southwesterly and curving to the right along the arc of a curve having a radius of twenty and no hundredths feet (20.00), a length of thirty-one and eighty-two hundredths feet (31.82) to a point on the Northerly line of William E. Mullins Way; thence

N 72° 33’ 10” W a distance of two hundred sixty-nine and forty-two hundredths feet (269.42) along said Northerly line of William E. Mullins way to the point of beginning.

A portion of the above described parcel (Tract I, Parcel D) is registered land and is shown on Land Court Plan Number 2213A.

EXHIBIT B

WORK LETTER

This Work Letter (this "Work Letter") is made and entered into as of the 1st day of December, 2021, by and between B9 LS HARRISON & WASHINGTON LLC, a Delaware limited liability company ("Landlord"), and PEPGEN, INC., a Delaware corporation ("Tenant"), and is attached to and made a part of that certain Lease dated as of December 1, 2021 (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Lease"), by and between Landlord and Tenant for the Premises located at 321 Harrison Avenue, Boston, Massachusetts. All capitalized terms used but not otherwise defined herein shall have the meanings given them in the Lease.

1. General Requirements.

1.1. Authorized Representatives.

(a) Landlord designates, as Landlord's authorized representative ("Landlord's Authorized Representative"), (i) Joe Imparato as the person authorized to initial plans, drawings, approvals and to sign change orders pursuant to this Work Letter and (ii) an officer of Landlord as the person authorized to sign any amendments to this Work Letter or the Lease. Tenant shall not be obligated to respond to or act upon any such item until such item has been initialed or signed (as applicable) by the appropriate Landlord's Authorized Representative. Landlord may change either Landlord's Authorized Representative upon one (1) business day's prior written notice to Tenant.

(b) Tenant designates Emiko Bryant ("Tenant's Authorized Representative") as the person authorized to initial and sign all plans, drawings, change orders and approvals pursuant to this Work Letter. Landlord shall not be obligated to respond to or act upon any such item until such item has been initialed or signed (as applicable) by Tenant's Authorized Representative. Tenant may change Tenant's Authorized Representative upon one (1) business day's prior written notice to Landlord.

1.2. Schedule. The schedule for design and development of the Tenant Improvements, including the time periods for preparation and review of construction documents, approvals and performance, shall be in accordance with a schedule to be prepared by Landlord and reviewed and approved by Tenant (the "Schedule"). The Schedule shall be subject to adjustment as mutually agreed upon in writing by the parties, or as otherwise provided in this Work Letter. Within ten (10) days of Tenant approving the Draft Schematic Plans (as defined below) as set forth in Section 2.1 of this Work Letter, Landlord shall provide Tenant with an estimated Schedule. The "Estimated Term Commencement Date" shall be the date set forth in the Schedule as the date of the building permit sign-off.

1.3. Landlord's Architects, Contractors and Consultants. The architect, engineering consultants, design team, general contractor and subcontractors responsible for the construction of the Tenant Improvements shall be selected by Landlord; provided, however, Tenant shall have the right to reasonably approve the general contractor and architect. Tenant hereby approves The Richmond Group as the general contractor and OTJ Architects as the architect.

2. Tenant Improvements. All Tenant Improvements shall be performed by Landlord's contractor, at Tenant's sole cost and expense (subject to Landlord's obligations with respect to any portion of the Base TI Allowance and, if properly requested by Tenant pursuant to the terms of the Lease, the Additional TI Allowance used by Landlord in completing the Tenant Improvements) and in substantial accordance with the Approved Plans (as defined below), the Lease and this Work Letter. To the extent that the total projected cost of the Tenant Improvements (as projected by Landlord) exceeds the TI Allowance (such excess, the "Excess TI Costs"), Tenant shall pay the costs of the Tenant Improvements on a pari passu basis with Landlord as such costs become due, in the proportion of Excess TI Costs payable by Tenant to the Base TI Allowance (and, if properly requested by Tenant pursuant to the Lease, the Additional TI Allowance) payable by Landlord. If the cost of the Tenant Improvements (as projected by Landlord) increases over Landlord's initial projection, then Landlord may notify Tenant and Tenant shall pay any additional Excess TI Costs with Landlord in the same way that Tenant deposited the initial Excess TI Costs. If Tenant fails to pay, or is late in paying, any sum due to Landlord under this Work Letter, then Landlord shall have all of the rights and remedies set forth in the Lease for nonpayment of Rent (including the right to interest and the right to assess a late charge), and for purposes of any litigation instituted with regard to such amounts the same shall be considered Rent. All material and equipment furnished by Landlord or its contractors as the Tenant Improvements shall be new or "like new" (provided all equipment shall be unused) and the Tenant Improvements shall be performed in a first-class, workmanlike manner and in accordance with Applicable Laws.

2.1. Work Plans. Landlord shall prepare and submit to Tenant for approval schematics covering the Tenant Improvements prepared in conformity with the applicable provisions of this Work Letter (the "Draft Schematic Plans"). The Draft Schematic Plans shall contain sufficient information and detail to accurately describe the proposed design to Tenant. Tenant shall notify Landlord in writing within ten (10) Business Days after receipt of the Draft Schematic Plans whether Tenant approves or objects to the Draft Schematic Plans and of the manner, if any, in which the Draft Schematic Plans are unacceptable. Tenant's failure to respond within such ten (10) Business Day period shall be deemed a Tenant Delay equal to one day for each day beyond such period that Tenant fails to respond. If Tenant reasonably objects to the Draft Schematic Plans, then Landlord shall revise the Draft Schematic Plans and cause Tenant's objections to be remedied in the revised Draft Schematic Plans. Landlord shall then resubmit the revised Draft Schematic Plans to Tenant for approval, such approval not to be unreasonably withheld, conditioned or delayed. Tenant's approval of or objection to revised Draft Schematic Plans and Landlord's correction of the same shall be in accordance with this Section until Tenant has approved the Draft Schematic Plans in writing. The iteration of the Draft Schematic Plans that is approved by Tenant without objection shall be referred to herein as the "Approved Schematic Plans."

2.2. Construction Plans. Landlord shall prepare final plans and specifications for the Tenant Improvements that (a) are consistent with and are logical evolutions of the Approved Schematic Plans and (b) incorporate any other Tenant-requested (and Landlord-approved) Changes (as defined below). As soon as such final plans and specifications ("Construction Plans") are completed, Landlord shall deliver the same to Tenant for Tenant's approval, which approval shall not be unreasonably withheld, conditioned or delayed. Such Construction Plans shall be approved or disapproved by Tenant within five (5) Business Days after delivery to Tenant. Tenant's failure to respond within such five (5) Business Day period shall be shall be deemed a Tenant Delay equal to one day for each day beyond such period that Tenant fails to respond. If

the Construction Plans are disapproved by Tenant, then Tenant shall notify Landlord in writing of its reasonable objections to such Construction Plans, and the parties shall confer and negotiate in good faith to reach agreement on the Construction Plans. Promptly after the Construction Plans are approved by Landlord and Tenant, two (2) copies of such Construction Plans shall be initialed and dated by Landlord and Tenant, and Landlord shall promptly submit such Construction Plans to all appropriate Governmental Authorities for approval. The Construction Plans so approved, and all change orders specifically permitted by this Work Letter, are referred to herein as the "Approved Plans."

2.3. Changes to the Tenant Improvements. Any changes to the Approved Plans (each, a "Change") shall be requested and instituted in accordance with the provisions of this Article 2 and shall be subject to the written approval of the non-requesting party in accordance with this Work Letter.

(a) Change Request. Either Landlord or Tenant may request Changes after Tenant approves the Approved Plans by notifying the other party thereof in writing in substantially the same form as the AIA standard change order form (a "Change Request"), which Change Request shall detail the nature and extent of any requested Changes, including (a) the Change, (b) the party required to perform the Change and (c) any modification of the Approved Plans and the Schedule, as applicable, necessitated by the Change. If the nature of a Change requires revisions to the Approved Plans, then the requesting party shall be solely responsible for the cost and expense of such revisions and any increases in the cost of the Tenant Improvements as a result of such Change. Change Requests shall be signed by the requesting party's Authorized Representative.

(b) Approval of Changes. All Change Requests shall be subject to the other party's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. The non-requesting party shall have five (5) Business days after receipt of a Change Request to notify the requesting party in writing of the non-requesting party's decision either to approve or object to the Change Request. The non-requesting party's failure to respond within such five (5) Business day period shall be shall be deemed a Tenant Delay or Landlord Delay, as applicable, equal to one day for each day beyond such period that Tenant fails to respond.

3. Requests for Consent. Except as otherwise provided in this Work Letter, Tenant shall respond to all requests for consents, approvals or directions made by Landlord pursuant to this Work Letter within five (5) Business days following Tenant's receipt of such request. Tenant's failure to respond within such five (5) Business day period shall be shall be deemed a Tenant Delay equal to one day for each day beyond such period that Tenant fails to respond.

4. TI Allowance.

4.1. Application of TI Allowance. Landlord shall contribute, in the following order, the Base TI Allowance; and, if properly requested by Tenant pursuant to the terms of the Lease, the Additional TI Allowance; and any Excess TI Costs advanced by Tenant to Landlord toward the costs and expenses incurred in connection with the performance of the Tenant Improvements, in accordance with Article 4 of the Lease. If the entire TI Allowance is not applied toward or reserved for the costs of the Tenant Improvements, then Tenant shall not be entitled to a credit of such unused portion of the TI Allowance. Tenant may apply the Base TI Allowance and, if properly requested by Tenant pursuant to the terms of the Lease, the Additional TI Allowance for the payment of construction and other costs in accordance with the terms and provisions of the Lease.

4.2. Approval of Budget for the Tenant Improvements. Landlord shall prepare a budget for the Tenant Improvements and shall provide Tenant with an opportunity to review and reasonably approve the same. Failure to respond to any such request for approval within five (5) business days following delivery of the same to Tenant shall be shall be deemed a Tenant Delay equal to one day for each day beyond such period that Tenant fails to respond. Notwithstanding anything to the contrary set forth elsewhere in this Work Letter or the Lease, Landlord shall not have any obligation to expend any portion of the TI Allowance until Landlord and Tenant shall have approved in writing the budget for the Tenant Improvements (the "Approved Budget"). Prior to mutual approval of the Approved Budget, costs and expenses incurred by Landlord in connection with the Tenant Improvements up to the Landlord Reimbursement Amount (as defined in the Indemnification Agreement) shall be governed by that certain Indemnification Agreement by and between Landlord and Tenant dated as of October 22, 2021 (the "Indemnification Agreement"). Tenant shall promptly reimburse Landlord for costs or expenses relating to the Tenant Improvements that exceed the amount of the TI Allowance. The Tenant Improvements shall be performed on an open book review basis.

5. Miscellaneous.

5.1. Incorporation of Lease Provisions. Sections 40.6 through 40.19 of the Lease are incorporated into this Work Letter by reference, and shall apply to this Work Letter in the same way that they apply to the Lease.

5.2. General. Except as otherwise set forth in the Lease or this Work Letter, this Work Letter shall not apply to improvements performed in any additional premises added to the Premises at any time or from time to time, whether by any options under the Lease or otherwise; or to any portion of the Premises or any additions to the Premises in the event of a renewal or extension of the original Term, whether by any options under the Lease or otherwise, unless the Lease or any amendment or supplement to the Lease expressly provides that such additional premises are to be delivered to Tenant in the same condition as the initial Premises.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter as a sealed Massachusetts instrument to be effective on the date first above written.

LANDLORD:

B9 LS HARRISON & WASHINGTON LLC,
a Delaware limited liability company

By: /s/ Colleen O'Connor
Name: Colleen O'Connor
Title: VP, Leasing, East Coast & UK Markets

TENANT:

PEPGEN, INC.,
a Delaware corporation

By: /s/ James McArthur
Name: James McArthur
Title: CEO

EXHIBIT B-1

TENANT WORK INSURANCE SCHEDULE

1. Types of Coverage. Tenant shall maintain or cause Tenant's contractors performing construction or renovation work to maintain such insurance as shall protect it from the claims set forth below that may arise out of or result from any Tenant Work, whether such Tenant Work is completed by Tenant or by any Tenant contractors or by any person directly or indirectly employed by Tenant or any Tenant contractors, or by any person for whose acts Tenant or any Tenant contractors may be liable:

a. Commercial General Liability. Commercial general liability insurance written on the ISO form CG 00 01 or equivalent, including products and completed operations, on an occurrence basis. Such coverage shall apply to all Tenant Work done by Tenant's contractors and subcontractors of all tiers and provide insurance against personal injury, wrongful death, and property damage (other than to the Tenant Work itself). The policy shall include contractual liability coverage sufficient to address the obligations of the Lease and the Tenant Work. This insurance policy shall include Landlord Parties as additional insureds with endorsements equivalent to ISO CG 20 10 04/13 for ongoing operations, and to ISO CG 20 37 04/13 for completed operations. This policy shall be primary and noncontributory with respect to any other insurance available to an additional insured. The policy shall include endorsement ISO CG 24 04 or its equivalent, a waiver of subrogation in favor of the Landlord Parties. Tenant contractors' Commercial General Liability Insurance shall include premises/operations (including explosion, collapse and underground coverage if such Tenant Work involves any underground work), elevators, independent contractors, products and completed operations, and blanket contractual liability on all written contracts, all including broad form property damage coverage. Coverage for completed operations must be maintained through the applicable statue of repose period following completion of the Tenant Work.

b. Business Automobile Liability Insurance. Business Automobile Liability Insurance on an "occurrence" form covering any or all autos (including owned, hired, leased and non-owned vehicles) used by or on behalf of the insured, and providing insurance for bodily injury and property damage. The policy shall include coverage for loading and unloading activities. This policy shall include the Landlord Parties as additional insureds, with endorsements.

c. Workers' Compensation and Employer's Liability Insurance. For all operations, Workers' Compensation insurance in compliance with statutory limits for the Workers' Compensation Laws of the state in which the Premises are located, and an Employer's Liability limit of not less than $1,000,000 each accident.

d. Contractors' Pollution Liability. Contractors and subcontractors handling, removing or treating Hazardous Materials shall maintain pollution liability insurance. Such coverage shall include bodily injury, sickness, disease, death or mental anguish or shock sustained by any person; property damage or environmental damage, including physical injury to or destruction of tangible property (including the resulting loss of use thereof), contractual liability coverage to cover liability arising out of cleanup, removal, storage or handling of hazardous or toxic chemicals, materials or substances, or any other pollutants (including mold, asbestos or

asbestos-containing materials); and defense costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such damages. Claims-made coverage is permitted, provided that the policy retroactive date is continuously maintained prior to the commencement of the Tenant Work. This policy shall include the Landlord Parties as additional insureds, with endorsements.

e. Professional Liability (Errors and Omissions). Contractors and subcontractors of any tier performing Tenant Work that includes any professional services, including design, architecture, engineering, testing, surveying or design/build services shall provide and maintain professional liability insurance. Coverage shall be maintained following completion of the Tenant Work through the applicable statute of repose of the state in which the Premises are located.

2. Minimum Limits of Insurance. All coverage types as defined above to be procured by Tenant's general contractor and designer for any Tenant Work shall be written for limits of insurance not less than:

Coverage	Cost of Work	Minimum Limits of Insurance
a. Commercial General Liability * Limits may be met by use of excess and/or umbrella liability insurance, provided that such coverage is at least as broad as the primary coverages required herein	<$200 million	$100 million per occurrence, general aggregate, and products and completed operations aggregate
	<$100 million	$50 million per occurrence, general aggregate, and products and completed operations aggregate
	<$50 million	$25 million per occurrence, general aggregate, and products and completed operations aggregate
	<$25 million	$10 million per occurrence, general aggregate, and products and completed operations aggregate
	<$10 million	$5 million per occurrence, general aggregate, and products and completed operations aggregate
	<$5 million	$2 million per occurrence, general aggregate, and products and completed operations aggregate
b. Commercial Automobile Liability * Limits may be met by use of excess and/or umbrella liability insurance, provided that such coverage is at least as broad as the primary coverages required herein	<$5 million	$2 million combined single limit
	[3]$25 million	$25 million combined single limit
	<$25 million	$10 million combined single limit
	<$10 million	$5 million combined single limit

c. Workers' Compensation	At all times	As required by Applicable Laws
d. Contractor's Pollution Liability	At all times	$2 million per location and $4 million aggregate
	<$200 million	$10 million per project and in the aggregate
e. Professional Liability (Errors and Omissions)	<$75 million	$5 million per project and in the aggregate
	<$25 million	$2 million per project and $4 million aggregate
	<$10 million	$1 million per project and $2 million aggregate

3. Notice of Cancelation. The foregoing policies shall contain a provision that coverages afforded under the policies shall not be canceled or not renewed until at least thirty (30) days' prior written notice has been given to the Landlord.

4. Evidence of Insurance. Certificates of insurance, including required endorsements showing such coverages to be in force, shall be provided to Landlord prior to the commencement of any Tenant Work and prior to each renewal.

5. Insurer Ratings. The minimum A.M. Best's rating of each insurer shall be A-VII.

6. Additional Insureds. The policies shall name Landlord Parties as additional insureds to the extent required by the Lease, the Work Letter or this Exhibit.

7. Waiver of Subrogation. Tenant, contractors and subcontractors, and each of their respective insurers shall provide waivers of subrogation in favor of the Landlord Parties with respect to all insurance required by the Lease, the Work Letter or this Exhibit.

8. Tenant's Contractors. Tenant shall require all other persons, firms and corporations engaged or employed by Tenant in connection with the performance of Tenant Work to carry and maintain coverages with limits not less than those required by this Exhibit. Tenant's contractors' and subcontractors' insurance compliance, including any coverage exceptions, shall be Tenant's responsibility. Tenant shall incorporate these insurance requirements by reference within any contract executed by Tenant and its contractors. Tenant shall obtain and verify the accuracy of certificates of insurance evidencing required coverage prior to permitting its contractors, subcontractors (of any tier), suppliers and agents from performing any Tenant Work or services at the Premises. Tenant shall furnish original certificates of insurance with additional insured endorsements from Tenant's contractors, subcontractors (of any tier), suppliers and agents as evidence thereof, as Landlord may reasonably request.

9. No Limit of Liability. It is expressly acknowledged and agreed that the insurance policies and limits required hereunder shall not limit the liability of Tenant or its contractors or subcontractors, and that Landlord makes no representation that these types or amounts of insurance are sufficient or adequate to protect Tenant or its contractors' or subcontractors' interests or liabilities, but are merely minimums. Any insurance carried by Landlord shall be secondary and non-contributory to that carried by Tenant and/or its contractors or subcontractors.

EXHIBIT B-2

LANDLORD'S WORK

Base Building Improvements

Architectural

- **Expanded Equipment Penthouse and equipment screening**
- **New 5,000 lb freight elevator and 3-bay loading dock**
- **New 5,000 lb freight elevator in 321 Harrison**
- **New chemical storage holding area and freight corridor**
- **Furnished 4th Floor amenity space and roof deck**
- **Landlord is achieving LEED Silver certification and Tenant build out and use of Premises shall comply with requirements of such certification**

Structural

- **New Equipment dunnage**
- **Structural reinforcing on floors 4 - 11**
- **Modifications to support base building architectural work**

Mechanical

- **New 100% outside air units providing 1.75 cfm supply air across lab useable on each floor**
- **New rooftop exhaust fans, main duct risers and shafts**
- **New cooling towers, boilers, chillers, pumps, VFDs, energy-recovery loops and all associated equipment to provide non-potable hot/chilled water via base building risers to each floor**
- **H-Room dedicated exhaust ducts and shafts for future tenant H room tie-in**

Plumbing

- **New 6" medium pressure gas service and main riser**
- **New PH Neutralization tank, skid and waste piping**
- **Landlord to provide and hold MWRA permit for lab waste system**
- **New Domestic water riser main run vertically through building**
- **New tempered water heater**

Electrical

- Upgrade switchgear to provide 12 watts/sf. across lab useable
- (2) New 500 kW natural gas generators provide 5W/lab sf.
- 500 kW diesel life safety generator
- Temporary generator docking station sized for additional 750kW generator

Fire Protection

- **Fully sprinkled**
- **Addressable fire alarm system**

EXHIBIT C

ACKNOWLEDGEMENT OF TERM COMMENCEMENT DATE
AND TERM EXPIRATION DATE

THIS ACKNOWLEDGEMENT OF TERM COMMENCEMENT DATE AND TERM EXPIRATION DATE is entered into as of [_____], 20[__], with reference to that certain Lease (the "Lease") dated as of [_____], 2021, by PEPGEN, INC., a Delaware corporation ("Tenant"), in favor of B9 LS HARRISON & WASHINGTON LLC, a Delaware limited liability company ("Landlord"). All capitalized terms used herein without definition shall have the meanings ascribed to them in the Lease.

Tenant hereby confirms the following:

1. Tenant accepted possession of the Premises for use in accordance with the Permitted Use on [_____], 20[__]. Tenant first occupied the Premises for the Premises for the Permitted Use on [_____], 20[__].

2. The Premises are in good order, condition and repair.

3. The Landlord's Work and the Tenant Improvements are Substantially Complete.

4. All conditions of the Lease to be performed by Landlord as a condition to the full effectiveness of the Lease have been satisfied, and Landlord has fulfilled all of its duties in the nature of inducements offered to Tenant to lease the Premises.

5. In accordance with the provisions of Article 4 of the Lease, the Term Commencement Date is [_____], 20[__], and, unless the Lease is terminated prior to the Term Expiration Date pursuant to its terms, the Term Expiration Date shall be [_____], 20[__].

6. The Lease is in full force and effect, and the same represents the entire agreement between Landlord and Tenant concerning the Premises[, except [_____]].

7. Tenant has no existing defenses against the enforcement of the Lease by Landlord, and there exist no offsets or credits against Rent owed or to be owed by Tenant.

8. The obligation to pay Rent is presently in effect and all Rent obligations on the part of Tenant under the Lease commenced to accrue on [_____], 20[__], with Base Rent payable on the dates and amounts set forth in the chart below:

Dates	Square Feet of Rentable Area*	Base Rent per Square Foot of Rentable Area	Monthly Base Rent*	Annual Base Rent*
Rent Commencement Date-date immediately prior to 1st anniversary of Rent Commencement Date *[Insert actual dates in chart]*	31,668	$93.00 annually	$245,427.00	$2,945,124.00
1st anniversary of Rent Commencement Date - date immediately prior to 2nd anniversary of Rent Commencement Date	31,668	$95.79 annually	$252,789.81	$3,033,477.72
2nd anniversary of Rent Commencement Date - date immediately prior to 3rd anniversary of Rent Commencement Date	31,668	$98.66 annually	$260,363.74	$3,124,364.88
3rd anniversary of Rent Commencement Date - date immediately prior to 4th anniversary of Rent Commencement Date	31,668	$101.62 annually	$268,175.18	$3,218,102.16
4th anniversary of Rent Commencement Date - date immediately prior to 5th anniversary of Rent Commencement Date	31,668	$104.67 annually	$276,224.13	$3,314,689.56
5th anniversary of Rent Commencement Date - date immediately prior to 6th anniversary of Rent Commencement Date	31,668	$107.81 annually	$284,510.59	$3,414,127.08
6th anniversary of Rent Commencement Date - date immediately prior to 7th anniversary of Rent Commencement Date	31,668	$111.05 annually	$293,060.95	$3,516,731.40

Dates	Square Feet of Rentable Area*	Base Rent per Square Foot of Rentable Area	Monthly Base Rent*	Annual Base Rent*
7th anniversary of Rent Commencement Date - date immediately prior to 8th anniversary of Rent Commencement Date	31,668	$114.38 annually	$301,848.82	$3,622,185.84
8th anniversary of Rent Commencement Date - date immediately prior to 9th anniversary of Rent Commencement Date	31,668	$117.81 annually	$310,900.59	$3,730,807.08

** Note: Subject to adjustment based upon the Rentable Area of the Premises as of the Term Commencement Date.*

9. The undersigned Tenant has not made any prior assignment, transfer, hypothecation or pledge of the Lease or of the rents thereunder or sublease of the Premises or any portion thereof.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Tenant has executed this Acknowledgment of Term Commencement Date and Term Expiration Date as of the date first written above.

TENANT:

PEPGEN, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

EXHIBIT D

FORM OF ADDITIONAL TI ALLOWANCE ACCEPTANCE LETTER

[TENANT LETTERHEAD]

B9 LS Harrison & Washington LLC
4570 Executive Drive, Suite 400
San Diego, California 92121
Attn: Legal Department

[Date]

Re: Additional TI Allowance

To Whom It May Concern:

This letter concerns that certain Lease dated as of [_____], 20[_____] (the "Lease"), between B9 LS Harrison & Washington LLC ("Landlord") and PepGen, Inc. ("Tenant"). Capitalized terms not otherwise defined herein shall have the meanings given them in the Lease.

Tenant hereby notifies Landlord that it wishes to exercise its right to utilize the Additional TI Allowance pursuant to Article 4 of the Lease.

If you have any questions, please do not hesitate to call [_____] at ([_____]) [_____]-[_____].

Sincerely,

[Name]
[Title of Authorized Signatory]

EXHIBIT E

FORM OF LETTER OF CREDIT

[On letterhead or L/C letterhead of Issuer]

LETTER OF CREDIT

Date: _____, 20__

B9 LS Harrison & Washington LLC (the "Beneficiary")
4570 Executive Drive, Suite 400
San Diego, California 92121
Attn: Legal Department
L/C. No.: _____
Loan No.: _____

Ladies and Gentlemen:

We establish in favor of Beneficiary our irrevocable and unconditional Letter of Credit numbered as identified above (the "L/C") for an aggregate amount of $_____, expiring at __:00 p.m. on _____ or, if such day is not a Banking Day, then the next succeeding Banking Day (such date, as extended from time to time, the "Expiry Date"). "Banking Day" means a weekday except a weekday when commercial banks in _____ are authorized or required to close.

We authorize Beneficiary to draw on us (the "Issuer") for the account of _____ (the "Account Party"), under the terms and conditions of this L/C.

Funds under this L/C are available by presenting the following documentation (the "Drawing Documentation"): (a) the original L/C and (b) a sight draft substantially in the form of Attachment 1, with blanks filled in and bracketed items provided as appropriate. No other evidence of authority, certificate, or documentation is required.

Drawing Documentation must be presented at Issuer's office at _____ on or before the Expiry Date by personal presentation, courier or messenger service, or fax. Presentation by fax shall be effective upon electronic confirmation of transmission as evidenced by a printed report from the sender's fax machine. After any fax presentation, but not as a condition to its effectiveness, Beneficiary shall with reasonable promptness deliver the original Drawing Documentation by any other means. Issuer will on request issue a receipt for Drawing Documentation.

We agree, irrevocably, and irrespective of any claim by any other person, to honor drafts drawn under and in conformity with this L/C, within the maximum amount of this L/C, presented to us on or before the Expiry Date, provided we also receive (on or before the Expiry Date) any other Drawing Documentation this L/C requires.

We shall pay this L/C only from our own funds by check or wire transfer, in compliance with the Drawing Documentation.

If Beneficiary presents proper Drawing Documentation to us on or before the Expiry Date, then we shall pay under this L/C at or before the following time (the "Payment Deadline"): (a) if presentment is made at or before noon of any Banking Day, then the close of such Banking Day; and (b) otherwise, the close of the next Banking Day. We waive any right to delay payment beyond the Payment Deadline. If we determine that Drawing Documentation is not proper, then we shall so advise Beneficiary in writing, specifying all grounds for our determination, within one Banking Day after the Payment Deadline.

Partial drawings are permitted. This L/C shall, except to the extent reduced thereby, survive any partial drawings.

We shall have no duty or right to inquire into the validity of or basis for any draw under this L/C or any Drawing Documentation. We waive any defense based on fraud or any claim of fraud.

The Expiry Date shall automatically be extended by one year (but never beyond _____(the "Outside Date")) unless, on or before the date 90 days before any Expiry Date, we have given Beneficiary notice that the Expiry Date shall not be so extended (a "Nonrenewal Notice"). We shall promptly upon request confirm any extension of the Expiry Date under the preceding sentence by issuing an amendment to this L/C, but such an amendment is not required for the extension to be effective. We need not give any notice of the Outside Date.

Beneficiary may from time to time without charge transfer this L/C, in whole but not in part, to any transferee (the "Transferee"). Issuer shall look solely to Account Party for payment of any fee for any transfer of this L/C. Such payment is not a condition to any such transfer. Beneficiary or Transferee shall consummate such transfer by delivering to Issuer the original of this L/C and a Transfer Notice substantially in the form of Attachment 2, purportedly signed by Beneficiary, and designating Transferee. Issuer shall promptly reissue or amend this L/C in favor of Transferee as Beneficiary. Upon any transfer, all references to Beneficiary shall automatically refer to Transferee, who may then exercise all rights of Beneficiary. Issuer expressly consents to any transfers made from time to time in compliance with this paragraph.

Any notice to Beneficiary shall be in writing and delivered by hand with receipt acknowledged or by overnight delivery service such as FedEx (with proof of delivery) at the above address, or such other address as Beneficiary may specify by written notice to Issuer. A copy of any such notice shall also be delivered, as a condition to the effectiveness of such notice, to: _____(or such replacement as Beneficiary designates from time to time by written notice).

No amendment that adversely affects Beneficiary shall be effective without Beneficiary's written consent.

This L/C is subject to and incorporates by reference: (a) the International Standby Practices 98 ("ISP 98"); and (b) to the extent not inconsistent with ISP 98, Article 5 of the Uniform Commercial Code of the State of New York.

Very truly yours,

[Issuer Signature]

ATTACHMENT 1 TO EXHIBIT E

FORM OF SIGHT DRAFT

[BENEFICIARY LETTERHEAD]

TO:

[Name and Address of Issuer]

SIGHT DRAFT

AT SIGHT, pay to the Order of _____, the sum of _____United States Dollars ($_____). Drawn under [Issuer] Letter of Credit No. _____dated _____.

[Issuer is hereby directed to pay the proceeds of this Sight Draft solely to the following account: _____.]

[Name and signature block, with signature or purported signature of Beneficiary]

Date: _____

ATTACHMENT 2 TO EXHIBIT E

FORM OF TRANSFER NOTICE

[BENEFICIARY LETTERHEAD]

TO:

[Name and Address of Issuer] (the "Issuer")

TRANSFER NOTICE

By signing below, the undersigned, Beneficiary (the "Beneficiary") under Issuer's Letter of Credit No. _____dated _____(the "L/C"), transfers the L/C to the following transferee (the "Transferee"):

[Transferee Name and Address]

The original L/C is enclosed. Beneficiary directs Issuer to reissue or amend the L/C in favor of Transferee as Beneficiary. Beneficiary represents and warrants that Beneficiary has not transferred, assigned, or encumbered the L/C or any interest in the L/C, which transfer, assignment, or encumbrance remains in effect.

[Name and signature block, with signature or purported signature of Beneficiary]

Date: _____]

EXHIBIT F

RULES AND REGULATIONS

NOTHING IN THESE RULES AND REGULATIONS ("RULES AND REGULATIONS") SHALL SUPPLANT ANY PROVISION OF THE LEASE. IN THE EVENT OF A CONFLICT OR INCONSISTENCY BETWEEN THESE RULES AND REGULATIONS AND THE LEASE, THE LEASE SHALL PREVAIL.

1. No Tenant Party shall encumber or obstruct the common entrances, lobbies, elevators, sidewalks and stairways of the Building(s) or the Project or use them for any purposes other than ingress or egress to and from the Building(s) or the Project.

2. Except as specifically provided in the Lease, no sign, placard, picture, advertisement, name or notice shall be installed or displayed on any part of the outside of the Premises or the Building(s) without Landlord's prior written consent. Landlord shall have the right to remove, at Tenant's sole cost and expense and without notice, any sign installed or displayed in violation of this rule.

3. If Landlord objects in writing to any curtains, blinds, shades, screens, hanging plants or other similar objects attached to or used in connection with any window or door of the Premises or placed on any windowsill, and (a) such window, door or windowsill is visible from the exterior of the Premises and (b) such curtain, blind, shade, screen, hanging plant or other object is not included in plans approved by Landlord, then Tenant shall promptly remove such curtains, blinds, shades, screens, hanging plants or other similar objects at its sole cost and expense.

4. Intentionally omitted.

5. Tenant shall not place a load upon any floor of the Premises that exceeds the load per square foot that (a) such floor was designed to carry or (b) is allowed by Applicable Laws. Fixtures and equipment that cause noises or vibrations that may be transmitted to the structure of the Building(s) to such a degree as to be objectionable to other tenants shall be placed and maintained by Tenant, at Tenant's sole cost and expense, on vibration eliminators or other devices sufficient to eliminate such noises and vibrations to levels reasonably acceptable to Landlord and the affected tenants of the Project.

6. Tenant shall not use any method of HVAC other than that shown in the Tenant Improvement plans.

7. Tenant shall not install any radio, television or other antennae; cell or other communications equipment; or other devices on the roof or exterior walls of the Premises except in accordance with the Lease. Tenant shall not interfere with radio, television or other digital or electronic communications at the Project or elsewhere.

8. Canvassing, peddling, soliciting and distributing handbills or any other written material within, on or around the Project (other than within the Premises) are prohibited. Tenant shall cooperate with Landlord to prevent such activities by any Tenant Party.

9. Tenant shall store all of its trash, garbage and Hazardous Materials in receptacles within its Premises or in receptacles designated by Landlord outside of the Premises. Tenant shall not place in any such receptacle any material that cannot be disposed of in the ordinary and customary manner of trash, garbage and Hazardous Materials disposal. Any Hazardous Materials transported through Common Area shall be held in secondary containment devices. Tenant shall be responsible, at its sole cost and expense, for Tenant's removal of its trash, garbage and Hazardous Materials. Tenant is encouraged to participate in the waste removal and recycling program in place at the Project.

10. The Premises shall not be used for lodging or for any improper, immoral or objectionable purpose. No cooking shall be done or permitted in the Premises; provided, however, that Tenant may use (a) equipment approved in accordance with the requirements of insurance policies that Landlord or Tenant is required to purchase and maintain pursuant to the Lease for brewing coffee, tea, hot chocolate and similar beverages, (b) microwave ovens for employees' use and (c) equipment shown on Tenant Improvement plans approved by Landlord; provided, further, that any such equipment and microwave ovens are used in accordance with Applicable Laws.

11. Tenant shall not, without Landlord's prior written consent, use the name of the Project, if any, in connection with or in promoting or advertising Tenant's business except as Tenant's address.

12. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any Governmental Authority.

13. Tenant assumes any and all responsibility for protecting the Premises from theft, robbery and pilferage, which responsibility includes keeping doors locked and other means of entry to the Premises closed.

14. Tenant shall not modify any locks to the Premises without Landlord's prior written consent, which consent Landlord shall not unreasonably withhold, condition or delay. Tenant shall furnish Landlord with copies of keys, pass cards or similar devices for locks to the Premises.

15. Tenant shall cooperate and participate in all reasonable security programs affecting the Premises.

16. Tenant shall not permit any animals in the Project, other than for service animals or for use in laboratory experiments.

17. Bicycles shall not be taken into the Building(s) (including the elevators and stairways of the Building) except into areas designated by Landlord.

18. The water and wash closets and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish, rags or other substances shall be deposited therein.

19. Discharge of industrial sewage shall only be permitted if Tenant, at its sole expense, first obtains all necessary permits and licenses therefor from all applicable Governmental Authorities.

20. Smoking and the use of smokeless tobacco products, electronic smoking devices (e.g., e-cigarettes) and nicotine products is prohibited at the Project.

21. The Project's hours of operation are currently 24 hours a day.

22. Tenant shall comply with all orders, requirements and conditions now or hereafter imposed by Applicable Laws or Landlord ("Waste Regulations") regarding the collection, sorting, separation and recycling of waste products, garbage, refuse and trash generated by Tenant (collectively, "Waste Products"), including (without limitation) the separation of Waste Products into receptacles reasonably approved by Landlord and the removal of such receptacles in accordance with any collection schedules prescribed by Waste Regulations.

23. Tenant, at Tenant's sole cost and expense, shall cause the Premises to be exterminated on a monthly basis to Landlord's reasonable satisfaction and shall cause all portions of the Premises used for the storage, preparation, service or consumption of food or beverages to be cleaned daily in a manner reasonably satisfactory to Landlord, and to be treated against infestation by insects, rodents and other vermin and pests whenever there is evidence of any infestation. Tenant shall not permit any person to enter the Premises or the Project for the purpose of providing such extermination services, unless such persons have been approved by Landlord. If requested by Landlord, Tenant shall, at Tenant's sole cost and expense, store any refuse generated in the Premises by the consumption of food or beverages in a cold box or similar facility.

24. Electric vehicles may be charged using only electric vehicle charging stations installed for that purpose, and no other electrical outlets or connections at the Project may be used for charging vehicles of any kind.

25. If Tenant desires to use any portion of the Common Area for a Tenant-related event, Tenant must notify Landlord in writing at least thirty (30) days prior to such event on the form attached hereto as Exhibit F-1, which use shall be subject to Landlord's prior written consent, not to be unreasonably withheld, conditioned or delayed. Notwithstanding anything in this Lease or the completed and executed Attachment to the contrary, Tenant shall be solely responsible for setting up and taking down any equipment or other materials required for the event, and shall promptly pick up any litter and report any property damage to Landlord related to the event. Any use of the Common Area pursuant to this Section shall be subject to the provisions of Article 28 of the Lease.

26. Firearms and any other items intended for use as weapons are not permitted in the Building(s) or at the Project.

27. Parking lots/parking garages may not be used for overnight parking or storage of vehicles or other miscellaneous items without Landlord's prior written approval. Vehicles and other miscellaneous items left unattended by a Tenant Party in Landlord's parking lots/parking garages for 24 hours or longer may be towed/removed at Tenant's expense.

28. Common shower facilities are intended for use by tenants of the Building(s) or Project after exercising or commuting. Common shower facilities are not to be used to treat exposure to potential hazards or contaminants. Tenants are required to provide separate shower facilities for employee use within individual premises when required for the health and safety of their employees.

29. Furniture, equipment and other personal property located on private terraces associated with leased premises is subject to Landlord's prior review and approval. Tenants with private terraces must secure any movable objects to protect against causing harm to person or property from objects falling or becoming airborne due to an accident, an act of nature, or other incident.

30. Tenants shall, and shall cause Tenant Parties to, remove all personal property from Common Areas, including common terraces, when not present in such Common Areas.

31. Visitors under the age of 18 are only permitted access to the Building lobby unless approved in advance by Landlord's property manager. Authorized visitors under the age of 18 must be escorted by an adult in Common Areas at all times.

32. Fitness Center access is for Tenant employees only, and requires each user to sign a waiver of liability and agree to the rules of conduct.

33. Secure Bicycle room access and use of locker rooms is for Tenant employees only, and requires each user to sign a waiver of liability and agree to the rules of conduct.

34. Transportation of laboratory experiments including but not limited to test tubes, beakers, Petri dishes, and animals are prohibited in public areas of the Building without qualifying secondary containment. Qualifying secondary containment is a sealed or locked non-transparent container which will prevent the contents from discharging in the event of a spill.

35. Laboratory gloves/coats are not permitted to be worn outside of Tenant's premises, including during transport of animals.

36. All routine deliveries to the premises shall be made between the hours of 6:00 A.M. and 6:00 P.M. weekdays (other than Massachusetts holidays) unless other arrangements are approved in advance by the Landlord, and only shall be made through the freight elevators. No deliveries shall be made that impede or interfere with other tenants in or the operation of the Project. Passenger elevators are to be used only for the movement of persons, unless the Landlord approves an exception. Courier use of passenger elevators shall be limited to Business Hours during Business Days unless otherwise approved by Landlord. Delivery Hours are subject to change by Landlord. Tenants will adhere to any peak delivery restrictions implemented by the City of Boston. Delivery personnel/companies who do not adhere to building rules can be barred from the property by the Property Manager.

37. Deliveries or movement of furniture, office equipment or any other large or bulky material(s) through the Common Area shall be restricted to such hours as Landlord may designate and shall be subject to reasonable restrictions that Landlord may impose.

38. The Rules and Regulations include the Tenant Design Manual appended hereto or hereafter provided by Landlord to Tenant.

COVID-19 RULES AND REGULATIONS

To help minimize the spread of the COVID-19 virus and maintain a safe and healthy work environment, Landlord has instituted the below rules and regulations (the "COVID-19 Rules and Regulations") as part of the Rules and Regulations. The COVID-19 Rules and Regulations are in effect until further notice from Landlord.

1. Individuals may not enter the Building/Property/Project if they are sick or experiencing flu-like symptoms.
2. Individuals who have been ill or have displayed flu-like symptoms must follow all recommendations of the Centers for Disease Control (CDC) for symptomatic individuals prior to returning to the Building/Property/Project.
3. Individuals who have been exposed to a known COVID-19-infected individual should not return to the Building/Property/Project until 14 days after their most recent exposure to that infected individual.
4. In Common Areas, including elevators and parking garages, individuals must wear face coverings or masks, practice social distancing, and maintain six feet of separation from others as much as possible.
5. Group gatherings are not allowed in Common Areas at this time.
6. Tenants must adhere to signage posted throughout the Building/Property/Project, including related to amenity closures or restrictions.
7. Individuals must clean up after themselves, wash hands frequently, and not leave trash or other personal items in Common Areas.
8. Tenants must develop a COVID-19 remediation response plan for their Premises and share that plan with the Landlord. Additionally, tenants must share their re-emergence plan with Landlord and continue to provide Landlord with updates as their plan evolves.
9. Tenants shall monitor evolving CDC, state and local governmental guidelines, and educate their employees about new guidance and information, as needed.
10. Tenants must promptly report known COVID-19 cases that have occurred at the Building/Property/Project to Landlord, but Tenant shall not be obligated to identify the name of the individual due to privacy or Applicable Laws.

Landlord may waive any one or more of these Rules and Regulations for the benefit of Tenant or any other tenant, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of Tenant or any other tenant, nor prevent Landlord from thereafter enforcing any such Rules and Regulations against any or all of the tenants of the Project, including Tenant. These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend, in whole or in part, the terms covenants, agreements and conditions of the Lease. Landlord reserves the right to make such other and reasonable additional rules and regulations as, in its judgment, may from time to time be needed for safety and security, the care and cleanliness of the Project, or the preservation of good order therein; provided, however, that Tenant shall not be obligated to adhere to such additional rules or regulations until Landlord has provided Tenant with written notice thereof. Tenant agrees to abide by these Rules and Regulations and any such additional rules and regulations issued or adopted by Landlord. Tenant shall be responsible for the observance of these Rules and Regulations by all Tenant Parties.

EXHIBIT F-1

REQUEST FOR USE OF COMMON AREA

REQUEST FOR USE OF COMMON AREA

Date of Request: _____

Landlord/Owner: _____

Tenant/Requestor: _____

Property Location: _____

Event Description: _____

_____

_____

Proposed Plan for Security & Cleaning: _____

_____

_____

Date of Event: _____

Hours of Event: (to include set-up and take down): _____

Location at Property (see attached map): _____

Number of Attendees: _____

Open to the Public? [___] YES [___] NO
Food and/or Beverages? [___] YES [___] NO

If YES:

- Will food be prepared on site? [___] YES [___] NO
- Please describe:
- Will alcohol be served? [___] YES [___] NO
- Please describe:
- Will attendees be charged for alcohol? [___] YES [___] NO

- Is alcohol license or permit required? [___] YES [___] NO
- Does caterer have alcohol license or permit: [___] YES [___] NO [___] N/A

Other Amenities (tent, booths, band, food trucks, bounce house, etc.): _____

_____

_____

Other Event Details or Special Circumstances: _____

_____

_____

_____

_____

Requesting Party acknowledges that they are responsible to adhere to all current (at the time of the event) COVID-19-related requirements set forth by federal, state and local government authorities for the geographic area in which the event is to take place, and any other COVID-related recommendations made by Landlord. Should federal, state and/or local government requirements contradict each other, the Requesting Party shall adhere to (and shall cause its employees, vendors and guests to adhere to) the most stringent requirement(s).

The undersigned certifies that the foregoing is true, accurate and complete and he/she is duly authorized to sign and submit this request on behalf of the Tenant/Requestor named above.

[*INSERT NAME OF TENANT/REQUESTOR*]

By: _____
Name: _____
Title: _____
Date: _____

321 Harrison Ave

Tenant Design Manual

September, 2021

BioMed Realty

101 Main Street, 16th Floor, Cambridge, MA 02142

TABLE OF CONTENTS

1 INTENT

The Tenant Manual is supplementary to the Lease and must be referenced in conjunction with the Lease. The intent of this document is to describe certain features of the Base Building, assist in the design of Tenant's Premises and to outline Tenant's obligations in performing Tenant Improvement Work. Tenants are encouraged to discuss specific issues or questions regarding their space with the Landlord prior to beginning design work. All information in this manual is subject to change, and should not be considered representative of a commitment by the Landlord to provide any items outlined in this manual.

2 ARCHITECTURE

321 Harrison Ave. consists of eight stories of new lab/office space above 3 stories of above ground parking, with a ground floor main entrance lobby shared between 321 Harrison Ave. and the adjacent 1000 Washington St. tower. (Note: Tenant Design Standards for retail tenants at the ground floor are a separate document.)

The building is designed to be LEED v3/2009 Silver certifiable. Certain tenant design standards must be followed by Tenant improvement work to maintain the building's LEED certification, as described below.

The building is served by (4) passenger elevators, serving levels 1 through PH, (1) passenger elevator serving the garage, (1) 5,000 lb. freight elevator serving the loading dock to level 4 at 1000 Washington and a pedestrian bridge connecting loading at 1000 Washington and a second 5,000 lb. freight elevator at 321 Harrison servicing floor 4 through PH.

There is a shared temporary chemical storage room located on the 4th floor in 321 Harrison off the service corridor. Tenants shall have access to this temporary storage space to avoid leaving hazardous materials in the corridors. Tenant may not design or install permanent storage facilities in this room.

The covered loading dock has direct access off of Mullins. It's equipped with two truck bays and one dedicated dumpster bay.

The building also features a main lobby with security, soft seating and a transit information board as well as shared amenity cafe, seating and conference space on the 4th floor which is connected to an outdoor patio deck with furniture and plantings. There is also a fitness center, locker rooms and showers located in the basement of 1000 Washington Street. There is secured bike storage, a bike repair station and electric bike charging stations in the 321 Harrison Garage.

The parking garage is on site, and fully covered with parking calculated at an approximate ratio of 0.5 per 1,000 SF, including required accessible spaces and 28 spaces with electric vehicle charging stations. The garage features a parking guidance information system providing real-time occupancy information to posted signage at the entrance.

ACOUSTICAL & SOUND ATTENUATION

Tenants is responsible for compliance with City of Boston Noise Ordinances, including compliance from approved equipment on the roof. Tenant shall be responsible for acoustical measures associated with their Tenant Improvements

VIBRATION

Tenant is required to install vibration isolation equipment for all vibration generating equipment.

INTERIOR FACE OF EXTERIOR WALL

Tenant is responsible for installing interior gypsum wall board finish at all exposed studs at exterior walls. Gypsum wall board shall be 5/8” thick Type X.

No fastening to curtain wall is permitted.

PERIMETER SOFFIT

Tenant is responsible for installing gypsum wallboard soffit at all exterior walls. Perimeter soffit dimensions shall be consistent with and coordinated with exterior shades as noted in the shade and soffit drawing Exhibit.

INTERIOR WINDOW SILLS

Interior sills shall be extruded aluminum with a fluoropolymer finish. Color shall be a custom color to match the adjacent curtain wall or window framing.

TENANT DEMISING WALLS

Demising walls shall extend full height from the floor to the underside of structure above. All demising walls shall have a minimum sound transmission coefficient (STC) of 54.

INTERIOR PARTITIONS ABUTTING EXTERIOR CURTAIN WALL

Partitions abutting the exterior curtain wall shall be aligned with the centerline of a vertical curtain wall mullion. Provide a sound rated mullion cap at the curtain wall mullion.

COLUMN ENCLOSURES AT EXTERIOR CURTAIN WALL

All column enclosures at columns adjacent to the exterior curtain wall shall be painted GWB or painted metal and shall be of uniform width (measured parallel to the curtain wall) based on the Landlord’s building standards and in accordance with the column enclosure detail Exhibit.

BUILDING STANDARD WHITE PAINT COLOR

The perimeter soffit and column enclosures adjacent to the curtain wall shall all be painted the building standard white. Building Standard White shall be acrylic latex eggshell paint, color to match Benjamin Moore Color No. I 04 “Decorators White”.

WINDOW TREATMENT

All Tenant window treatments are to be provided by Tenant and shall be manually or automatically operated rolling shades, inside mounted within the curtain wall or window framing in conformance with the soffit shade detail in the Exhibit. Shades are to be provided at all curtain wall vision glass and at all punched windows. Shades shall be of sufficient length to cover the full height of the vision glass. Width of each shade shall correspond to the width of each light.

Shades to be Mecoshade ThermoVeil 1500 (3% open) Color: 1519 Silver Birch. Shade housing and all exposed metal shall be custom color to match adjacent curtain wall or punched window framing No windows may be blocked without Landlord's approval.

TENANT ENTRANCES

On floors with more than one Tenant or shared corridors, the design of the main entrance into the Tenant's premises shall be approved by the Landlord.

SIGNAGE

Tenant signage requires Landlord approval and must conform to codes, zoning ordinances and building standards.

ROOFTOP EQUIPMENT

Due to Boston zoning requirements there is limited available rooftop space. Rooftop equipment is prohibited unless approved by Landlord. If approved, equipment must be located and oriented to provide access for service, not impede access to egress or other Tenant's equipment, and not otherwise create a hazard. All rooftop equipment must be a neutral in color and subject to review by Landlord.

TERRACES—11TH FLOOR ONLY

Tenants are responsible for limiting occupancy and use of terrace areas as necessary to comply with egress requirements.

ROOF TERRACE DOORS—11TH FLOOR ONLY

Roof terrace doors installed as part of the base building construction have been provided with a door closer and rim exit device. If the Tenant intends to secure the door from the exterior, then the Tenant is responsible for compliance with applicable codes for egress from the terrace.

CONTROL AREAS

Control areas shall be designated in accordance with all applicable codes. Tenants sharing a floors with one or more other Tenants shall not be permitted to use or store more than their pro-rata share (based on usable floor area) of the total allowable quantities of hazardous materials normally allowed per Control Area for any given floor unless other measures are taken by the Tenant to address code compliance in such a manner than other Tenants are not adversely impacted. Such other measures shall subject to the Landlord's review and acceptance.

SHAFTS

The building is equipped with several shafts for base building and shared utility risers and mains. The locations of these shaft penetrations are shown on the plans. Tenant shall not install anything within these shafts without Landlord's approval. All shaft locations and equipment layouts in shafts are to be approved by Landlord for efficient use of shaft area. The Tenant is responsible for coordinating with Landlord for any work through other Tenant spaces. Any work through other Tenant spaces must be hermetically sealed against dust while under construction. The existing 2-hour rated shaft wall construction must be maintained by the Tenant.

The Tenant must allow other Tenants to make use of the designated shaft spaces at Landlord's request. Tenant ductwork and piping to be run up the building through the core Tenant mechanical rooms on each floor are to be enclosed in 2 hour rated shafts, to be built by Tenant in areas identified on the drawings. Tenant telecommunications riser cabling between locations on different floors utilizing the building telecommunications riser must be approved by the Landlord. Telephone closet with conduit is provided. No Tenant shall assume that any conduit is for the sole use of that Tenant

3 TENANT LOADS

All Tenant loads in excess of allowable loads per base-building design documents require Landlord approval. Tenant's Structural Engineer licensed in the State of Massachusetts is to provide structural calculations and design for support of excess loads.

Tenant floor slabs vary and are typically designed for a live load capacity of 100 psf and up to 150 psf at mechanical rooms, unless noted otherwise on the current structural drawings. Tenant must reference the base building structural drawings and must verify allocation of floor and ceiling loads with Landlord.

4 HVAC

Each tenant floor is supplied with a 25,000 cfm on-floor 100% outside air and energy recovery unit. Chilled and hot water is supplied from the building central systems and delivered to each floor via main risers. Toilet and utility rooms are provided with code required ventilation via the ERUs and common exhaust risers.

Each floor has access to (3) central exhaust duct risers, connected to (6) 30,000 cfm high plume exhaust fans. There are also (4) in-place hazard exhaust risers, sized to support a potential (4) 1,000 cfm hazard exhaust fans in a designated area on the penthouse rooftop.

The building heating/cooling systems consist of a chilled water plant, a hot water plant, and an ERU. Tenants shall be supplied with their share of available hot water and chilled water capacity as outlined in the Utility Matrix The hot water plant consists of gas fired high efficiency hot water boilers located in the penthouse, along with primary and secondary pumps. The chilled water plant consists of air cooled water chillers located in the penthouse. An 1800 ton water-cooled chilled water plant supports the make-up air cooling and office cooling loads, condenser water pumps and chilled water pumps. Tower fans will be controlled by variable frequency drives.

The system includes a heat recovery loop providing recovered heat from the central exhaust to the lab makeup air handling unit. This system will consist of hydronic coils in the lab makeup air unit and in the lab exhaust system. The loop pumping system will consist of centrifugal pumps with VFD's and Hydronic specialties—Controls, expansion tanks, air separator, etc. and distribution piping will extend from the roof-mounted lab exhaust energy recovery unit to the pumps and lab make-up units, via a vertical pipe risers

DESIGN CRITERIA FOR HVAC DISTRIBUTION

Equipment must be sized to adequately maintain a cooling temperature within the Tenant areas of an inside condition of 74° F, dry bulb at 50% relative humidity; with outside condition of 91° F dry bulb and 73° F wet bulb.

HEAT AT EXTERIOR WALL

For areas adjacent to exterior walls, Tenant may install radiant panels, and heated air from fan coil units in order to adequately maintain the premises at a temperature of 72° F, when the outside temperature is 6°F. Design of HVAC at exterior walls shall be consistent with Landlord's design criteria.

HVAC BY CODE

All heating, ventilation and air conditioning systems must be designed and installed in conformance with applicable building codes and zoning. Tenant's HVAC contractors will not be allowed to prepare working drawings unless they are licensed professional engineers in the Commonwealth of Massachusetts.

TENANT HEAT

If required, reheat coils or unit heaters must be provided by Tenant. Tenant to provide all controls and wiring, and provide hard-wired interlock so that air conditioning compressors and heat cannot run simultaneously unless required for equipment humidity control. Base building hot water is available for use with Tenant coil and heating equipment subject to Tenant not exceeding their pro-rata share of available hot water.

SMOKEDETECTION/CONTROL

Tenant air conditioning units must have duct smoke detector and smoke dampers per Massachusetts State Building Code, NFPA 90A and as required by the applicable Fire Department. Connect to central fire alarm system according to the specification.

TENANT AIR SYSTEMS

Tenant must be responsible for providing its own complete distribution of air conditioning system within the premises. Tenant's HVAC contractor will install all medium pressure ductwork, VAV/FPT terminal units or fan coil units, low pressure ductwork, flexible ductwork, ceiling diffusers, returns, and ATC control system.

TENANT EXHAUST SYSTEMS

Tenant must be responsible for providing its own complete distribution of exhaust system and control within the Premises. Tenant's HVAC contractor will install all medium pressure exhaust ductwork, VAV exhaust terminal units, low pressure ductwork, flexible ductwork, ceiling registers, and connections to fume hoods, cabinets, canopy hoods, or other equipment as applicable.

All specialty dedicated Tenant exhaust systems must be approved by Landlord. For specialty dedicated Tenant exhaust systems (ie. special process exhaust, chemical storage exhaust, etc.) Tenant must provide individual exhaust fans for their Tenant space requirements, as approved by Landlord. Fan must be located on the roof, in an approved location and must be high-velocity (min. 4500 FPM) discharge plume type fans, similar to Strobic-Air, Greenheck Vector, or Mk Plastics, with bypass plenum, discharge sound attenuator, and venturi-type discharge cone. Fans must be mounted on the bypass plenum, with the top of the discharge cone at an elevation that is visually consistent with other rooftop structures and equipment, and the discharge stack and plume must be at sufficient height above the roof to prevent exhaust air re-entrainment into all outside air intakes. Fan and plenum must be mounted on structural steel framing provided by Tenant including, where structurally necessary, connections to structural steel framing below the metal or composite roof deck and associated penetrations and roof work. Tenant shall be responsible for ensuring that associated designs are consistent with applicable City guidelines.

HARD DUCTWORK

Supply, return, and exhaust ductwork must be sized, fabricated and installed in accordance with ASHRAE 90A (current edition) and SMACNA standards; minimum sheet metal thickness is 24 gauge. All supply and return (as necessary) ductwork must be installed with fiberglass insulation and vapor barrier. All Ductwork, which passes through fire rated walls, must be equipped with UL approved fire dampers or fire/smoke dampers as required by code, and with adequate access to such dampers. Ductboard or duct tape sealing are NOT allowed to be used in any application. Any/all duct insulation must meet specifications established by applicable laws and ordinances.

FLEXIBLE DUCTWORK

Lightweight duct, with a core of corrosion resistant wire helix permanently bonded within fabric, insulated with 1%" thick, % lb. density fiberglass flexible insulation and covered with a fire retardant reinforced vapor barrier. Pressure requirements must be minimum 12" positive and 10" negative. Duct must meet NFPA 90A requirements and be listed as Class 1 Air Duct Material, UL Standard 181. It must be as manufactured by Wiremold Company Type WCK, Thermaflex, Buckley Flexmaster or equal as specified.

A maximum of 5'-0" flex duct length must be provided for connection to air distribution devices and be oversized to next largest size required to carry the designated air quantity.

EQUIPMENT COOLING REQUIREMENTS

No cooling or heating equipment is permitted without recirculated coolant and without permission granted by Landlord. The base building chillers will not operate during the winter months. Accommodations for supplementary cooling, such as in a server room, shall be via dedicated Tenant installed split systems or other means not reliant upon the base building chillers.

VIBRATION ISOLATION

All VAV/FPT boxes, exhaust fans, and all vibrating equipment must be suspended with neoprene rubber-in- shear or spring vibration isolators, and must be seismically restrained per Massachusetts State Building Code.

FLEXIBLE CONNECTIONS

Provide flexible connections to meet NFPA requirements for all of the above-mentioned equipment, fabricated from synthetic rubber or 29 ounce neoprene coated fiberglass cloth to eliminate transmission of vibration to ductwork.

AIR DIFFUSERS & PERIMETER RADIANT PANELS

Air distribution devices must be ceiling or sidewall mounted registers or diffusers installed as required to achieve distribution in accordance with good engineering practice. All registers and diffusers must have manual volume control devices located in the take-off from the branch supply duct. All registers and diffusers are subject to aesthetic review approved by Landlord.

TENANT HVAC SYSTEM PROVISIONS

The following items are anticipated to be installed as part of the Tenant HVAC systems and equipment, based on the use of the building. Provisions and accommodations have been made in the base building design based on these assumptions:

- Distribution air to the space provided from fan coil units
- Medium pressure main ductwork throughout the Tenant space from the base-building mains.
- Low pressure distribution ductwork, diffusers, flex duct to diffusers, and return/exhaust grilles necessary to deliver the supply air to the Tenant spaces.
- Chilled and hot water are available for Tenant’s use from Tenant connections located at the risers on each floor. Use shall not exceed Tenant’s pro rata share of available capacity. Tenants are hereby notified that the base building chilled water is not on optional standby generator power. All use of the CHW and HW is based on the Tenant’s pro rata share and is per floor / per riser. Tenant shall not over-burden any single connection to the riser.

- Tenant, at its sole cost and expense, shall install a damper and flow meter at its tie-in point to the main exhaust shaft which must be programmed into the BMS, and balanced with the makeup-air unit .
- Tenant, at its sole cost and expense, shall install HVAC metering per Landlord's base building metering standard. The metering system shall be fully integrated into the base building energy management system.

BUILDING MANAGEMENT SYSTEM

Landlord has provided a central base building management system for control and monitoring of central mechanical infrastructure, maintained by base building BMS vendor.

Tenants must tie into the base BMS. Tenant lab and office systems such as freezer alarms, leak detection, cold rooms and other similar program components may not be programmed into the base building system.

5 ELECTRICAL SYSTEM

NSTAR VAULT

The base building is supported from an NSTAR utility vault located at ground level as well as a secondary vault located at the garage level.

BUILDING SERVICE

The building is supported by two separate switchboards. One 4000 ampere 480/277 volt switchboard is located in the garage electrical room, supported by the garage utility vault transformer. The second 2000 ampere 480/277 volt switchboard is located in the penthouse level, supported by the ground level utility transformer.

BUS DUCTS

The Landlord has installed two bus duct risers at 480/277 volts for tenant use, both routed through stacked electrical rooms. One 2500 ampere bus duct riser (#1) to be utilized by all Tenant(s), and one 1000 ampere bus duct riser (#3) supported by generator standby power, for Lab Tenant use only. The Tenant shall be responsible for connection(s) to bus duct riser to support their distribution system, which cannot exceed Tenant's pro rata share of available capacity. A third bus duct riser (#2) is routed through stacked mechanical rooms, located on each floor, and is dedicated for house use only.

METERING

There are 3 NSTAR utility meters, two for base building loads and one for the fire pump, located in the buildings main electrical room. Each tenant floor shall have a Tenant provided multi-point metering system, located in stacked mechanical rooms. All Tenants shall provide CTs and wiring to buildings multi-point metering system (per Landlord standards) for all loads supporting their respective space and equipment. The meters shall be fully integrated into the BMS.

TENANT DISTRIBUTION

The Tenant shall be responsible for furnishing and installing all electrical infrastructure and distribution for their equipment,

ELECTRICAL ROOM

Limited space has been allocated in each floor's base building electrical room to house some Tenant electrical equipment. Space allocation must be approved by the Landlord prior to installation of any Tenant equipment.

LIGHT FIXTURES

Light fixtures within Tenant space must be furnished and installed by the Tenant. Lighting for the first 10 feet from the interior side of the perimeter soffit shall be linear light fixtures meeting the following criteria.

a) LED lighting.

b) Recessed (flanged or trimless), surface mounted or pendant mounted

c) Direct, indirect or direct/indirect

d) Nominal 2", 4" or 6" wide aperture

f) If LED, lens shall be flush or regressed matte (satin) white acrylic

g) Lamping to be 3500° K / CRI>80; if LED, color shall be within (3) MacAdam ellipses using LME789 measurement process.

GENERATORS

(2) 500KW natural gas back-up generators and associated controls are installed on the rooftop. These are sized to provide each tenant with 5 watts/sf. across the lab useable areas assuming a 50/50 lab/office layout. Tenants shall be responsible for the installation and maintenance of tie-ins, ATS and associated electrical equipment. A 500KW diesel fired life-safety generator has been provided to support the building's needs, which include fire pump, life safety and legal standby requirements. Tenants can extend life safety branch circuits as required for egress lighting, via emergency bypass relays. The Landlord will operate and maintain all generators.

LIFE SAFETY POWER

0.3 W/sf is available for life safety egress lighting. The tenant must use emergency bypass relays, so their lighting is normally powered and metered off of their distribution equipment. Life safety branch circuits can be extended from the base buildings panelboards to energize the bypass relays - the intent is they would transfer egress lighting over to generator power, in the event normal power is lost.

6 PLUMBING

The Base Building water service is fed from City water mains. The water service is provided with a booster pump. The available pressures at each floor level will vary.

Potable cold water is provided to the on-floor restrooms and janitor closet and hot water is provided by electric hot water heaters on the 4th and 8th floor.

A sanitary and lab waste drainage and vent system serve the base building toilet room and mechanical space floor drains. Capped sanitary and vent connections are provided at each floor level.

Natural gas is provided to the building to serve base building HVAC equipment.

Storm water is collected through a network of roof drains and piping and is discharged to a ground water recharge system and the City storm water system.

DOMESTIC WATER SERVICE

Domestic cold water and hot water will be provided to all base building toilet fixtures. Landlord will provide a 2-inch domestic cold water riser with valve and capped connection at each level for Tenant use. The Tenant is responsible for domestic hot water outside of the base building areas.

SANITARY SYSTEM SERVICES

The Landlord will provide a complete sanitary system for all base building services. The Landlord will provide sanitary soil stacks and vent stacks at multiple locations within the building. Each soil stack will have a 4-inch sanitary connection and each vent stack will have a 4-inch vent connection at each floor level for connection by Tenant.

ELECTRIC WATER HEATER

Water heaters may be automatic electric, 480/277 volt, 3-phase, with necessary safety controls and drains per code. Water heaters located overhead must be supported independently of the Landlord's structural framing system. All electric heaters must be provided with drain pans and leak detection installed per plumbing code. Drains must be piped to the nearest waste receptor through an approved air gap, with a downstream check valve installed. Appropriate structural detailing must be included with Tenant's submission to Landlord for engineering review and approval. Tenants whose only water usage is for small toilet room(s) may utilize "instant hot" water heaters with less than 6 gallons storage in size or conventional heaters up to a maximum 6-gallon capacity. All domestic water heaters must be approved by and installed in accordance with Massachusetts State Building and Plumbing Codes.

TENANT RESPONSIBILITY FOR PLUMBING

Tenant must provide a complete plumbing system from Landlord's distribution point (supply stub-out) within the leased premises, including but not limited to, all necessary labor, connections to supply stubs, piping, clean-outs, fixtures, etc. necessary for the satisfactory operation of a plumbing system.

- Connection to Landlord's point of service and extend service to Tenant equipment according to Tenant's requirements, and applicable local codes.

- All Tenant toilets must be flushometer valve, 1.6 gpf.
- Provide waterproof membrane in water-supplied plumbing fixture locations (e.g., toilet rooms, sink areas, etc).
- Provide floor drains with trap primers where required by code.
- Provide relief valve from any Tenant water heater to nearest floor drain or waste receptor through an approved air gap, with downstream check valve.
- Domestic and non-potable water piping to be insulated with minimum 1" thick fiberglass insulation.
- Sanitary piping must be cast iron.
- Combustible piping (PVC) will not be permitted.
- All gas valves must be located below ceilings (clear of air plenums and exit corridors).
- Lab waste piping below floor must be provided with fire-resistant insulation wrap by Tenant.
- Tenant water sub meter as per the Landlords specification

7 FIRE PROTECTION

The base building common area is provided with automatic wet-pipe sprinkler protection and manual wet standpipes in accordance with 780CMR, NFPA 13 and NFPA 14.

SPRINKLER SYSTEMS—LANDLORD PROVISION

The building is provided with a fire service main supplied by the City of Boston water system. The building is equipped with a fire pump with vibration isolation equipment and its associated suction and supply piping. Backflow prevention is also provided for this service.

A complete Class I automatic wet standpipe system has been provided in all egress stairways. Occupant use 1 %" hose valves and hose stations have been be omitted as permitted by code. The system consists of combination standpipe/sprinkler risers in each required egress stair with fire department hose valves at each floor landing. The base building fire pump boosts the city water supply and provides 100 psi at the most remote hose valve in accordance with NFPA 14 requirements.

AUTOMATIC STANDPIPE SYSTEM PROTECTION FOR TENANT SPACES

Where tenant demising walls/architectural layouts create travel distances from the most remote area to the egress stair fire department valves that exceed 200 feet, the tenant shall provide additional hose connections in approved locations, where required by the local fire department or the AHJ.

Complete automatic sprinkler protection has been provided throughout core spaces of the building, except within the switchgear and transformer vault rooms. The base building system design consists of a conventional wet-pipe system in heated shell spaces, dry-pipe systems in unheated spaces supplied by combination sprinkler standpipe risers located in the stairwells. Automatic sprinkler protection has been provided for all electric rooms, telephone rooms, elevator machine rooms, and elevator pits.

AUTOMATIC SPRINKLER SYSTEM PROTECTION FOR BASE-BUILDING

Automatic sprinkler system protection for building core spaces and all mechanical and electrical rooms is designed for ordinary hazard protection with a design density of 0.15 gpm/sf over the most remote 1,500 sf.

AUTOMATIC SPRINKLER SYSTEM PROTECTION FOR TENANT SPACES

Automatic sprinkler system protection for Tenant spaces is designed for ordinary hazard group 2 protection with a design density of 0.20 gpm/sf over the most remote 1,500 sf.

Full automatic sprinkler protection in Tenant leased space must be the total responsibility of the Tenant. Sprinkler heads must be the listed quick response type as accepted by Underwriters Laboratories (UL). Any cost of modifications to the Landlord's complete installed grid will be charged to Tenant.

TENANT PRE-ACTION SYSTEM

Tenant will have the right to install a pre-action sprinkler system in lieu of wet-pipe sprinkler protection. Such system must be connected to the building's fire alarm system, at Tenant's sole cost and expense.

SEISMIC PROTECTION

The building is classified as Seismic design category B. Therefore, seismic protection is not required.

GASEOUS FIRE SUPPRESSION SYSTEM

Tenant has the right to install gaseous fire suppression system independent of the building's systems. Such system must be connected to the building's fire alarm system, at Tenant's sole cost and expense. Such systems must provide for post release exhaust of gaseous discharge at Tenants sole cost and expense.

SCHEDULE FOR LANDLORD ACCEPTANCE OF TENAT'S FIRE SUPPRESSION SYSTEM LAYOUT

Landlord must review and approve Tenant's Fire Suppression System.

DESIGN REQUIREMENTS OF FIRE PROTECTION SYSTEM LAYOUT

Tenant's sprinkler protection must give coverage up to Tenant's lease line and maintain a minimum 18" clearance between ceiling sprinklers and Tenant equipment.

All Tenant space, including electric rooms must be fully sprinklered, in accordance with NFPA 13-2013 and 780 CMR Chapter 9.

FIRE PROTECTION CONTRACTOR

All modifications, additions, repairs, or relocations to the sprinkler system, or any other system or equipment installed by Landlord which are required for the Tenant's use prior to occupancy must be performed at the Tenant's cost and expense.

Upon completion of sprinkler system in leased premises, Tenant must contact Landlord to arrange for a zone shut down for final point of connection to Landlord's system at Tenant's expense.

Plans and calculations must be signed and sealed by a Commonwealth of Massachusetts registered fire protection engineer.

Each Tenant must generate a sprinkler shop drawing and supply hydraulic calculations stamped by a Massachusetts registered Fire Protection Engineer.

All impairments of the fire alarm system requested by the Tenant are at the sole expense of the Tenant whether during construction or normal operations.

DAMAGE CAUSED BY TENANT'S SPRINKLER SYSTEM

Any damage caused by Tenant to Landlord's sprinkler and/or all other fire protection systems will be repaired by Landlord's designated contractor at Tenant's cost and expense.

OBLIGATION TO MAINTAIN EFFECTIVENESS OF SPRINKLER SYSTEM

Tenant's fixtures, storage, and other Tenant practices must be to code and must not be conducted in such a manner as to hinder the effectiveness of the sprinkler or other fire protection system(s).

FIRE/SMOKE DAMPERS

A fire/smoke damper must be installed within Tenant's ductwork where such duct passes through a fire/smoke rated wall, at Tenant's sole cost.

FIRE DETECTION AND ALARM SYSTEMS—LANDLORD PROVISION

The base building system is installed by the Landlord. A junction box is provided at a location designated by Landlord. Each junction box is provided with an audio/visual alarm circuitry for signal interface connection with the building fire alarm system.

FIRE DETECTION AND ALARM SYSTEMS—TENANT PROVISION

Tenant must provide a complete fire alarm system from Landlord's distribution point (junction box) within the leased premises, including but not limited to, all necessary labor, detectors, strobes, horns, wiring, etc. necessary for the satisfactory operation of a fire alarm system using Landlord selected manufacturer.

Upon completion of Tenant fire alarm system, Tenant's fire alarm contractor must contact Landlord for final point of connection to Landlord's fire alarm junction box at Tenant's expense. Tenant is responsible of testing of the expanded system in accordance with NFPA 72 and authority having jurisdiction.

Fire alarm devices must be structurally mounted.

Each Tenant must generate a fire alarm drawing and submit to Landlord. Landlord will forward this drawing to the local fire department.

Class "A" system wires must be identified for direction and polarity.

Current ADA guidelines, including state and local codes, must be followed.

Wiring methods must be in accordance with applicable NEC and NFPA 72 codes.

Provide duct smoke detector; locate inside supply duct, downstream of the filters and ahead of any branch connections, on all systems. In addition, any system over 15,000 CFM must provide duct smoke detectors located inside the return duct, upstream of filters, exhaust air connections or outside air connections.

Smoke detectors must be compatible with Landlords' fire alarm system. Contact Landlord for purchase and installation of detector at Tenant's expense.

All programming of the system is to be by the Landlord's contractor at the sole expense of the Tenant.

8 COMMUNICATIONS

TENANT TELECOMMUNICATIONS

The building site includes (4) conduits running from Harrison Ave. to a demarcation room on the ground floor of 321 Harrison. As part of the tenant improvements, Tenant may utilize these conduits in coordination with the Landlord to pull fiber from the ISP of their choosing. There are vertical conduit risers in the electrical rooms which tenants may utilize in coordination with the Landlord and other Tenants. All cabling and associated costs are the responsibility of the Tenant. All connections and communications equipment must be installed within the Tenant's premises.

The Tenant is responsible for fire-protecting sleeves and conduit penetrations as required by code.

Any addition of locking or mounting boards in Building common riser/ IDFs must be reviewed and approved by the Landlord's design team and must be the responsibility of the Tenant.

Any enclosures needed within a remote IDF to segregate Tenant distribution equipment from other common terminations or equipment, and the review and layout of location by Landlord's design team, must be the responsibility of the Tenant.

9 BUILDING SECURITY

BUILDING ENTRY

Card readers are provided at building entry points (lobbies and loading dock) and access granted as appropriate.

FLOOR ENTRY

Tenants are responsible for security to and within Tenant space and are to comply with all applicable codes and the Boston Fire Dept. requirements and applicable codes for egress access within Tenant space to the exit stairs. Tenant access control systems shall be separate from the base building access control system.

ACCESS CARD INTEGRATION

Tenants should contact Building Manager for review of integration options (for one unified card for a Tenant if installing their own security system locally) between Tenant space, and building entrance.

If the Building Manager is able to integrate the Tenant and Base Building cards and additional building system upgrades or integration work is required, the cost will be borne by the Tenant.

Currently base building is granted on one access card type. This card type must meet the building provided specification. Access cards for Tenant staff use are supplied by the Tenant at Tenant cost and expense.

10 METERING

Tenant shall be responsible for installing meters in accordance with the Metering Scheme Exhibit.

11 SCOPE ALLOCATION MATRIX

ARCHITECTURE	By Landlord	By Tenant	By Landlord at Tenant's Cost
CODE COMPLIANCE			
Base building construction in accordance with requirements of Massachusetts State Building Code	X		
Tenant build-out is to be compliant with all applicable code, laws and regulations in effect at the time of build-out		X	
SITEWORK			
Perimeter sidewalks, street curbs, street trees, site trees and miscellaneous site furniture	X		
Landscaped and paved areas	X		
Paving and landscaping at exterior terraces—Level 4	X		
Furniture at exterior terraces and planters and/or rails to limit occupant load—Level 4	X		
Finishes and Furnishings on 11th Floor roof terraces—11th Floor Tenant Only		X	
EXTERIOR			
Building exterior consisting of aluminum and glass curtain wall, and miscellaneous louvers	X		
Screen wall at roof	X		
ROOF			
Weather-tight membrane roofing system	X		
Walkway pads to base building mechanical equipment	X		
Roofing alterations due to Tenant changes, if approved		X	
COMMON AREAS			
Accessible main entrance	X		
Finished first floor lobby	X		

Finished toilet rooms—core areas only	X		
Finished janitor, electrical and telephone closets—core areas only	X		
Finished exit stairways	X		
Finished loading dock area	X		
Shared Flammable Waste Room on 4th floor	X		
Finished main telephone rooms on ground floor	X		
Freight elevators and common stair access to penthouse	X		
Doors and frames at common areas	X		
Doors and frames within Tenant areas and entry off common area		X	
Access from penthouse to roof via double door	X		
On floor elevator lobby finishes		X	
Tenant toilet rooms and kitchen if required beyond base building		X	
Any modifications to common areas to be approved by Landlord			X
ELEVATORS			
(4) Passenger elevators, (1) 5,000 lb. freight elevator in 1000 Washington and (1) in 321 Harrison	X		
WINDOW TREATMENT			
Building standard shades at all windows		X	
TENANT AREA FINISHES & EQUIPMENT			
Drywall Finishes at inside face of exterior walls at metal studs or curtain wall system		X	
Drywall at Tenant side of core rooms taped and finished, not painted	X		
Painting and or finishing taped Drywall on Tenant side of core rooms		X	
Column enclosures within Tenant spaces		X	
Containment curbs and floor drains at boilers or water source equipment in Penthouse	X		

Enclosure walls and doors at the freight elevator lobbies	X		
Tenant equipment		X	
ACOUSTICAL			
Acoustic sound attenuation for makeup air units	X		
Acoustic and sound isolation at base building generators and equipment	X		
Compliance with Boston Sound Ordinance for Tenant Roof Top Equipment, if approved		X	
Compliance with Boston Sound Ordinance for Base Building Roof Top Equipment	X		
Additional acoustic treatments on ceilings, walls and other sound mitigation within tenant spaces		X	

STRUCTURE	By Landlord	By Tenant	By Landlord at Tenant's Cost
Concrete floor slabs over metal deck, live load capacity of 100 psf (typical, except as noted on current structural drawings)	X		
Concrete loading dock and penthouse floor slab	X		
Live load increases for Tenant loads		X	
Steel framing with braced frames and composite steel and concrete floors fireproofed as required by code	X		
Stub-up columns required for Tenant dunnage and equipment		X	
Structural framing dunnage above roof for Tenant equipment		X	
Grate walkways on dunnage at Tenant equipment		X	
Miscellaneous metal items (lintels, elevator angles, etc.) related to base building construction	X		
Miscellaneous metal items and concrete pads and structural modifications related to Tenant fit-out		X	
Concrete sealer other than mechanical rooms (optional)		X	
Structural Steel as required to support slab edges and attachments at designated Tenant shafts		X	

PLUMBING	By Landlord	By Tenant	By Landlord at Tenant's Cost
Main domestic water service	X		
Main water meter	X		
Domestic water booster pump system	X		
Potable system	X		
HVAC makeup	X		
Storm drainage system	X		
Sanitary sewer main service	X		
Plumbing for additional tenant toilet rooms		X	
Domestic cold water for core systems	X		
Domestic hot water for tenant systems		X	
Plumbing for core toilet rooms	X		
Sanitary waste and vent system	X		
Clear water waste and vent system for base building equipment	X		
Toilet room fixtures based on typical shell occupancy	X		
Hot water heaters for core toilet rooms	X		
4" capped sanitary and capped vent for Tenant at each floor	X		
Centralized cold water riser to supply the Tenant's domestic requirements with valved and capped outlets at each floor	X		
Tenant metering, sub-metering and backflow prevention		X	
Distribution of domestic cold water from the base building risers		X	

Production and distribution of potable or non-potable hot water for Tenant use, kitchenettes and specialized Tenant plumbing systems		X	
Specialty gases, including manifolds, cylinders, piping, air compressors, and vacuum pumps		X	
Distribution of non-potable cold water from base building riser.		X	
Lab waste and vent system—riser mains and central PH system	X		
PH Neutralization system MWRA permit	X		
Lab waste treatment and connection to lab waste main and vent		X	
Tenant process water system (RODI) generation and distribution systems.		X	

NATURAL GAS	By Landlord	By Tenant	By Landlord at Tenant's Cost
Natural gas service to the building	X		
Natural gas service to the base building boilers	X		

HVAC	By Landlord	By Tenant	By Landlord at Tenant's Cost
Base building boiler plant	X		
Base building chiller plant	X		
On-floor makeup air units	X		
Base building high-plume exhaust fans, attenuators and associated equipment	X		
Base building energy recovery loop and associated pumps, VFDs and equipment	X		
Base building cooling towers	X		
Main duct shafts and risers from rooftop exhaust to all floors	X		

Toilet room exhaust system	X		
Electric room ventilation system	X		
Penthouse exhaust system	X		
Automatic temperature control system (building common area)	X		
Cabinet unit heaters at building common areas	X		
Unit heaters at loading dock and basement	X		
Tenant area fan coil heating system		X	
Tenant area fan coil cooling system		X	
Tenant area dedicated specialty exhaust systems as approved by Landlord		X	
Automatic temperature control system (Tenant areas)		X	
Extension of general exhaust from duct risers to Tenant areas		X	
Extension of supply air duct from duct risers to Tenant areas		X	
Chilled water and hot water risers and valves at floors	X		
Tenant chilled water and hot water piping to Tenant equipment		X	
Tenant metering and sub-metering per Landlords standards		X	
Sound attenuation for Tenant equipment to comply with Boston Noise Ordinance		X	

ELECTRICAL	By Landlord	By Tenant	By Landlord at Tenant's Cost
Electric utility primary service feeders to primary switchgear in utility company vault.	X		
Automatic transfer of primary switchgear from normal to stand-by incoming utility company service feeder	X		
Secondary service feeder from utility company vault to building switchboard	X		

Main building switchboard.	X	
Main bus duct riser to remote electrical room on each floor.	X	
Service from the bus duct to point of use		X
Base Building utility meter for house loads	X	
Tenant floors sub-metering		X
(2) 500KW back-up generators, (1) 500KW life safety generator, (1) 750 KW docking tie-in for mobile emergency generator at loading dock and load bank, switchgear and associated equipment	X	
ATS for tenant owned electrical distribution equipment		X
Tenant fit-up of panels, transformers, receptacles and lighting in Tenant area		X
Lighting and receptacles serving building common areas	X	
Lighting in secondary electric rooms on each floor for Tenant		X
Lighting in main telephone rooms	X	
Temporary lighting in shell areas as required by code	X	
Emergency powered egress and exit lighting in core areas	X	
Emergency powered egress and exit lighting in Tenant areas		X
Emergency powered egress and exit lighting in unfinished shell space (permit only)	X	
Lightning protection for Tenant equipment		X
Emergency power or dedicated power for service provider telecommunications equipment that may need to be located in a common IDF on behalf of a Tenant		X
Tenant UPS system		X
Tenant batteries (and structural modifications if required)		X

FIRE PROTECTION	By Landlord	By Tenant	By Landlord at Tenant's Cost
Sprinkler service entrance including fire department connections, backflow protection, fire pump, alarm check valve and standpipe in each stair	X		
Fire extinguisher cabinets in common areas	X		
Jockey pump	X		
Flow control valve station at each floor	X		
Typical floor loop and distribution system as required by code and Landlord's Insurance Underwriter for a shell space	X		
Building common area and stair area sprinkler heads and piping	X		
Valve and cap standpipe at each floor for Tenant pre-action system	X		
Distribution system in Tenant areas and revisions to the shell space distribution system resulting from Tenant improvements, including run-outs, drop and heads		X	

FIRE ALARM	By Landlord	By Tenant	By Landlord at Tenant's Cost
Base building fire alarm system with devices in building common areas	X		
Fire alarm sub panels and devices for Tenant areas with tie-in to main base building system		X	
Alterations to building common area fire alarm system and devices	X		

TELEPHONE AND DATA SERVICE	By Landlord	By Tenant	By Landlord at Tenant's Cost
Underground telephone/data service conduits from Harrison Ave. and access to demarcation room	X		
Riser cabling from the ground floor demarcation room to Tenant connectivity needs: Must leave a spare pull string in any common conduit used for Tenant cabling for future cable pulls.		X	
Telephone riser closet and cable sleeves through floors in the main electrical room stack	X		
Conduit from shared risers to Tenant's floor and horizontal distribution within and out of remote IDFs.		X	
Telephone and data wiring, conduits, outlets, and termination rooms/ equipment for Tenant areas		X	
Audio-visual connections and systems for Tenant areas		X	
Fiber optical service by Tenant		X	

SECURITY	By Landlord	By Tenant	By Landlord at Tenant's Cost
Card access at building entries	X		
Card access and/or alarm systems into or within Tenant areas		X	
Video camera coverage of first floor entrances and lobbies of building entrance points, lobbies, loading dock area	X		
Design, management, and installation/ integration of any security measures (card reader/ cameras/other) into base building system by Tenant's request will be done by the Landlord's consultant and/or security contractor.			X
Integrate Tenant security access card with building/garage system and reconfigure building security system/readers, if possible without affecting other Tenant integration, if necessary, and if requested			X

OTHER	By Landlord	By Tenant	By Landlord at Tenant's Cost
Cable television service (approval to use common conduit and sleeves must be obtained from building manager)		X	
Building ground	X		
Telecom grounding system—Tenant extension (Tenant will have to pay for Landlord's design team review of system and routing through chase).		X	

12 MISCELLANEOUS PROVISIONS

For all rules and regulations pertaining to the following items, reference is made to provisions in the Lease.

13 LEED TENANT STANDARD GUIDELINES

See attached

14 EXHIBITS

B9 LS Harrison & Washington LLC
4570 Executive Drive
San Diego, Suite 400 CA 92121

321 Harrison

Tenant Sustainable Design Guidelines

LEED-CS (Core and Shell) v3 2009

TABLE OF CONTENTS

PART A: INTRODUCTION

The Tenant Sustainable Design Guidelines describe the minimum sustainable design requirements to be provided under the tenant space design and construction. The tenant plays an important role in reinforcing the building's LEED-CS (Core & Shell) v3 2009 Silver certification features within their own workplaces. The tenant sustainable design guidelines are intended to support the 321 Harrison Avenue tenants in taking full advantage of the high-performance features of the building.

These guidelines will enable tenants to design and implement sustainable, green building interiors that will benefit the overall health and quality of life for building occupants.

Please refer to the Appendix A for the Owner's LEED-CS Silver Scorecard.

While not required, the tenant may opt to pursue a LEED for Commercial Interiors (LEED ID+C) v4 certification or use the LEED ID+C criteria as a guideline. LEED ID+C supports high-performance, healthy, durable, affordable, and environmentally sound commercial interiors. A sample LEED ID+C v4 Scorecard is included as Appendix B for reference.

321 Harrison Avenue Facility Sustainable Design and Construction Measures

- Energy efficient building systems
- Building Energy Systems' Commissioning
- Alternative transportation options including access to MBTA Bus routes and nearby T station.
- Water efficient landscaping and reflective hardscape for urban heat island reduction
- Site stormwater management strategies
- Water-efficient plumbing fixtures
- A construction waste management plan
- Measurement and verification of building systems
- Provision of space for collection and storage of recyclables
- Material selections to maximize recycled content and promote regional sourcing and responsibly sourced wood
- Low VOC interior finish selections
- Green housekeeping procedures
- Reduced mercury content in lighting fixtures in project building and on site.

PART B: TENANT MINIMUM SUSTAINABLE DESIGN REQUIREMENTS

The Minimum Tenant Sustainable Design Requirements are to be included as part of the Tenant space fit out construction. The required sustainable design measures may contribute in achieving LEED-CI v4 credits, in the case the tenant opts to pursue LEED ID+C certification.

Minimum Sustainable Design Requirements

1. SUSTAINABLE SITES

No tenant requirements.

Tenants will have access to the bike racks and shower facilities provided by the facility owner.

2. WATER EFFICIENCY

Indoor Potable Water Use—30% reduction

The base building includes water efficient toilets, urinals, lavatory faucets, pre-rinse spray valves and showerheads.

If tenants install fixtures, they are required to provide water efficient fixtures and appliances attaining a minimum of a 30% indoor water use reduction over the LEED V4 ID+C baseline.

Maximum flow rates for Tenant Water Fixtures, Appliances, and Processes:

Low Flow Water Closets (1.3 gpf) or Dual Flush Water Closets (1.6 gpf / 0.8 gpf)

Waterless Urinals or Pint Flush Urinals (0.125 gpf)

Ultra Low Flow Lavatories (0.5 gpm, limited to 12 second cycle time)

Ultra Low Flow Kitchen Sinks (1.0 gpm)

Ultra Low Flow Shower Fixtures (1.5 gpm)

Residential Dishwashers (Energy Star)

Commercial Dishwashers (CEE Tier 3A)

Residential Clothes Washers (Energy Star or 4.5 WF (gallons/ft^3/cycle))

Commercial Clothes Washer (CEE Tier 3A)

Pre-rinse Spray Valve (1.3 gpm)

Ice Machine (Energy Star or performance equivalent and use either air-cooled or closed-loop cooling)

Heat Rejection and Cooling (No once-through cooling with potable water)

Cooling Towers and Evaporative Condensers (equip with water meters, conductivity controllers and overflow alarms, and efficient drift eliminators)

3. ENERGY EFFICENCY

Fundamental Commissioning of Building Energy Systems

Tenants are required to perform fundamental commissioning for their energy-related systems, including electrical, lighting, mechanical and plumbing systems.

Minimum Energy Performance

Tenants are required to comply with the mandatory provisions and prescriptive requirements of the Massachusetts State Energy Stretch Code. In addition, Tenants are required to provide the following energy conservation measures:

- achieving a connected lighting power density of 0.5 w/SF or better (easily achievable with LED lighting fixtures)
- Vacancy and daylight controls as required by Code, and sensors for non-Code required spaces such as electrical/Data closets, etc.
- Energy Star appliances for at least 50% of eligible equipment (by rated power).
- Consideration for advanced network lighting controls is recommended as it provides for users' controllability features.
- Plug load management (controlled hard wired and electrical convenience outlets).
- Additional HVAC and plumbing equipment to meet or exceed the energy and water efficiency Code required criteria.

Tenants occupying space in 321 Harrison Avenue will benefit from the energy efficiencies of the base building systems.

Fundamental Refrigerant Management

Tenants are required to purchase new HVAC equipment which contain no CFC-based refrigerants.

Measurement and Verification

The building has one main utility electrical meter. Tenant Sub-metering is provided for each floor's main electrical panel. The building HVAC Building Management System has the capacity to monitor multiple set points for the tenant electrical usage for lighting, cooling and ventilation. Please refer to Appendix C for the tenant Measurement and Verification (M&V) plan.

The building has a main utility natural gas meter and a main potable water meter. Water submetering at tenant space is by tenant.

MATERIALS AND RESOURCES

Storage and Recyclables

A recycling room of approximately 60 SF is provided on each floor for tenant collection of recyclable materials. In addition, space is allocated in the building trash/loading area on the first floor for storage of recyclable materials for pickup. Transport of recyclables from the on-floor recycling rooms to the first-floor storage area is by tenant for full-floor tenants and by landlord on multi-tenant floors. Tenants are required to institute policies for the collection of recyclable materials. Collection should include mixed paper, corrugated cardboard, glass, plastics, metals, batteries and electronic waste. Separation and/or co-mingling of various types of recyclable materials shall be coordinated with landlord.

Construction Waste Management

Tenants are required to develop and implement their own construction waste management plan during the construction of the tenant space, with a minimum total recycling goal of 75% of three material stream from construction, demolition, and packaging debris, tenants can qualify for up to two points. Consideration for a 95% recycling goal of 4 materials stream is recommended.

Materials' Attributes—Recycled Content, Certified Wood, Bio-Based Materials, Regional Materials and Materials Content and Global Impact Optimization

Recycled Content: We recommend tenants specify materials with a goal of 25% of materials (by cost).

Certified Wood: We recommend tenants specify a minimum goal of 75% of wood-based products to be harvested in accordance with the Forest Stewardship Council's (FSC) Principles and Criteria. FSC certification means that the forest managers employed environmentally and socially responsible forest management practices.

Regional Materials: We recommend consideration for a goal of 25% of materials (by Cost).

Bio-Based Materials: We recommend consideration for a goal of 25% of materials (by Cost).

Environmental Product Declaration (EPD): We recommend tenants requires and specify materials manufacturers provide for EPDs as part of the products' shop drawings documentation.

Health Product Declaration (HPD): We recommend tenants require and specify materials manufacturers provide for HPDs as part of the products' shop drawings documentation.

4. INDOOR ENVIRONMENTAL QUALITY

Minimum Air Quality Performance

Tenants are required to supply minimum levels of ventilation through compliance with ASHRAE 62.1-2013.

Environmental Tobacco Smoke Control

Tenants will be required to comply with the building's no smoking policy. Tenants are prohibited from smoking within the building and have been provided designated smoking areas which are at least 25 feet away from building entries, outdoor air intakes and operable windows. Signage indicating that smoking is not allowed within 25 feet of all entrances will be provided by the owner for the entire building. Also, smoking in the building is prohibited by Massachusetts General Law M.G.L. c. 270, § 22

Outdoor Air Delivery Monitoring

Tenants may consider monitoring CO2 within densely occupied spaces. The base building HVAC systems are equipped with CO2 monitoring devices and outdoor airflow measurement devices. The installed system in the base building is capable of being expanded to provide CO2 monitoring within the tenant spaces.

Construction Indoor Air Quality Management Plan

Tenants are required to develop and implement and Indoor Air Quality Management Plan (IAQ) for the construction and preoccupancy phases of the tenant space. Measures taken as part of the IAQ plan include enclosed and controlled space ventilation during construction, protection of the base building ventilation equipment and systems, protection of absorptive materials from moisture damage, cleaning practices and dust control during construction, replacement of filters prior to occupancy, among other requirements from the Sheet Metal and Air Conditioning National Contractors Association (SMACNA) guidelines. Consideration for a tenant fit out flush out is recommended.

Low-emitting Materials

Tenants are required to specify and install low emitting materials, including adhesives, sealants, sealant primers, paints, coatings, flooring, composite wood products and insulation. All building products must comply with California Department of Public Health (CDPH) Standard Method v1.1- 2010 and manufacturers must state the range of total VOCs after 14 days in addition to:

Adhesives & Sealants: Must comply with the VOC limits of South Coast Air Quality Management District (SCAQMD) Rule #1168.

Paints & Coatings: All paints and coatings wet-applied on site must meet the applicable VOC limits of the California Air Resources Board (CARB) 2007, Suggested Control Measure (SCM) for Architectural Coatings, or the South Coast Air Quality Management District (SCAQMD) Rule 1113, effective June 3, 2011.

Flooring Materials: Must comply with the California Department of Public Health (CDPH) Standard Method v1.1-2010 and manufacturers must state the range of total VOCs after 14 days.

Composite Wood and Agri-Fiber products: Must be documented to have low formaldehyde emissions that meet the California Air Resources Board ATCM for formaldehyde requirements for ultra-low-emitting formaldehyde (ULEF) resins or no added formaldehyde resins.

Furniture and Furnishing: We recommend consideration for compliance in accordance with ANSI/BIFMA Testing Standard Method M7.1-2011 or ANSI/BIFMA e3-2011 Furniture Sustainability Standard, Sections 7.6.1.

Enhanced Indoor Air Quality Strategies

Tenants may enhance indoor air quality and minimize air pollutants though planning for centralized copy rooms.

The base building complies with the LEED V3 2009 indoor chemical and pollutant source control through permanent entryway system at all major entrances, sufficient exhaust and sealing of housekeeping and janitorial rooms, and MERV-13 filtration on air handling units.

Thermal Comfort

Tenants are required to design additional HVAC system to meet the requirements of ASHRAE-55- 2010.

Daylight and views

Tenants are to provide optimal access to daylight and views to a majority of occupants. Tenants may refer to Appendix D for a sample open plan office layout that comply with the LEEDv3 IEQc8.2 for views. Desk partitions less than 42” in height in areas where views to the outside are possible, and glass partitions around common meeting and office areas will support an open plan office layout.

5. INNOVATION IN DESIGN

While no specific additional measures are required, the following best sustainable design practices are recommended:

- Establishing and maintaining a purchasing program to limit the amount of mercury containing lamps (overall average of 35 picograms per lumen-hour). *[Mostly achievable by maximizing the use of LED light fixtures]*
- Provide a green cleaning program (may be provided by the building owner).
- Plug load management for hard wired and convenience electrical outlets, where a majority of 75% of the electrical outlets are timed to turn off during unoccupied hours (and/or tied to vacancy sensors)
- Health & wellness strategies inspired from the WELL Building Standard (www.wellcertified.com)

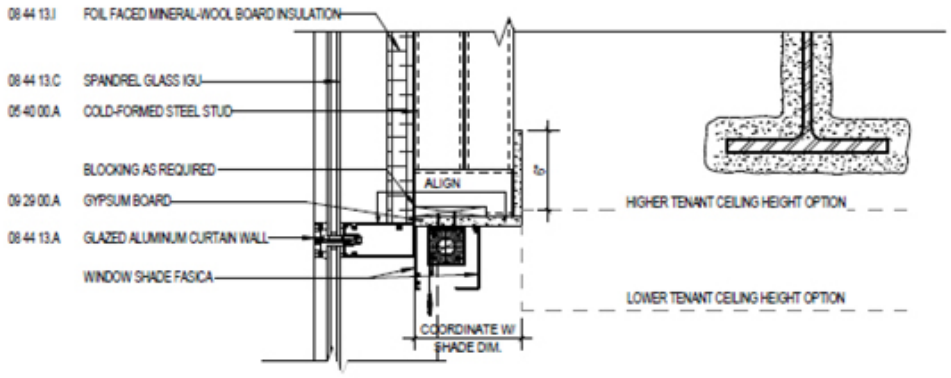
6. SUSTAINABLE DESIGN RESOURCES FOR TENANTS

The following is a partial listing of major resources for sustainable design, LEED and the WELL Building standards:

1. **U.S. Green Building Council (USGBC) -** www.usgbc.org
2. **Green Building Certification Institute (GBCI) -** www.gbci.org
3. **International WELL Building Institute (IWBI) -** www.wellcertified.com
4. **MassSave -** www.masssave.com

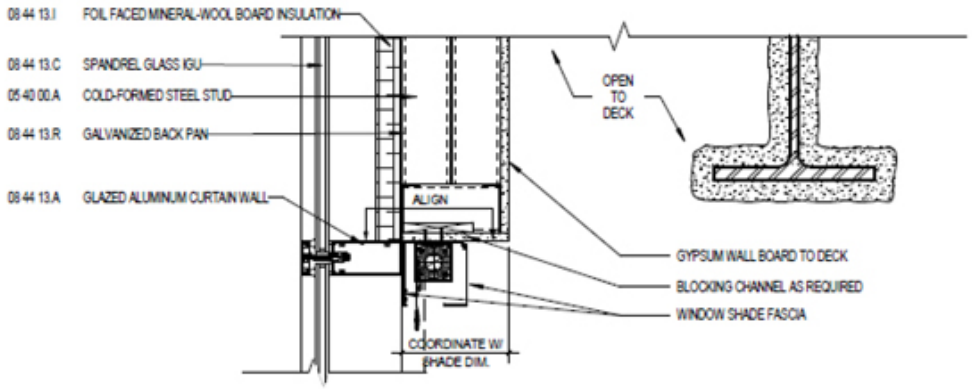
MassSave is the web portal providing access to all Massachusetts utility incentives programs.

5. ***GreenSpec* Directory -** www.greenspec.com
6. **Building Green Inc. -** www.buildinggreen.com
7. **HPD Collaborative (Health Product Declaration) -** www.hpdcollaborative.com



2 WINDOW SHADE DETAIL - GWB TO TENANT CEILING

SCALE: 1 1/2" = 1'-0"



1 WINDOW SHADE DETAIL - EXPOSED CEILING

SCALE: 1 1/2" = 1'-0"

SMMA
1000 Massachusetts Avenue
Cambridge, MA 02138
617.547.5400 F ● 800.660.4620

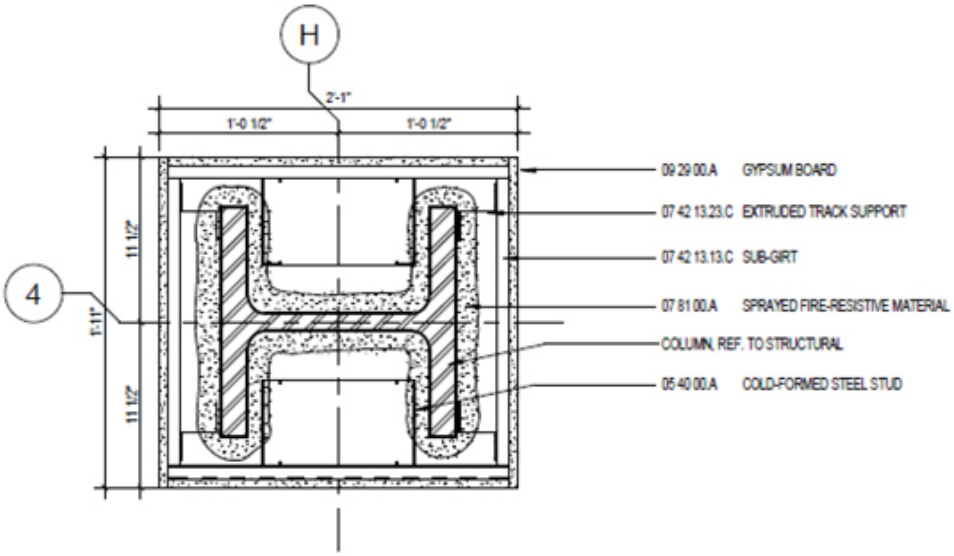
321 HARRISON AVENUE
BOSTON MA 02118

JOB NO.: 15103

DATE: 11/08/21
ISSUE:
SCALE: 1 1/2" = 1'-0"
REF:
DR BY: MER
CK BY: EMM

SK-001

TYPICAL WINDOW SHADE DETAILS



1 TYPICAL COLUMN ENCLOSURE
SCALE: 1 1/2" = 1'-0"

SMMA
1000 Massachusetts Avenue
Cambridge, MA 02138
617.547.5400 Fx 800.648.4809

321 HARRISON AVENUE
BOSTON MA 02118

JOB NO. 15103

DATE 11/08/21
ISSUE
SCALE 1 1/2" = 1'-0"
REF.
DR BY: Author
CK BY:

SK-002

TYPICAL COLUMN ENCLOSURE

EXHIBIT G

TAPA

[see attached]

TRANSPORTATION ACCESS PLAN AGREEMENT

entered into between

THE CITY OF BOSTON TRANSPORTATION DEPARTMENT

and

1000 WASHINGTON (BOSTON) OWNER, LLC

for

1000 WASHINGTON STREET AND 321 HARRISON AVENUE

This Transportation Access Plan Agreement (hereinafter "TAPA") is entered into this 12th day of October, 2017 by and between the CITY OF BOSTON, acting through its TRANSPORTATION DEPARTMENT with offices at One City Hall Plaza, Room 721, Boston, Massachusetts, 02201, (hereinafter "BTD") and 1000 Washington (Boston) Owner, LLC, c/o Nordblom Development Company, with a principal place of business at 15 Third Avenue, Burlington, MA 01803 (hereinafter "Developer").

WHEREAS, the Developer has completed the review process required by Article 80 of the Boston Zoning Code (hereinafter "Article 80 Review"), which review process contains a Transportation Component, (see *Section 80B-3 (1*)), and

WHEREAS, the Developer acknowledges that the construction and operation of the Development will impact the transportation network within the City of Boston; and

WHEREAS, BTD and the Developer desire to mitigate such transportation impacts through a Construction Management Plan (hereinafter "CMP"), and a Transportation Access Plan Agreement (hereinafter "TAPA");

Now, therefore, in consideration thereof, the following is agreed between BTD and the Developer (hereinafter "Parties"):

Section 1. Definitions and Exhibits

A. "**Access Plan**" shall mean the Transportation Sections of the Project Notification Form, Draft Project Impact Report, Final Project Impact Report and any supplemental information as developed through the Article 80 Review process.

B. "**Article 80 Review**" shall mean the City of Boston Development review requirements, regulations and process, as defined in Article 80 of the Boston Zoning Code.

C. "**BTD**" shall mean the City of Boston Transportation Department, with offices at One City Hall Plaza, Room 721, Boston, Massachusetts, 02201, its successors and assigns.

D. "**CMP**" shall mean the Construction Management Plan.

E. "**Development**" shall mean the Development discussed in this TAPA and summarized in Section 2 A.

F. "**Developer**" shall mean the Developer described above.

G. "ISD" shall mean the City of Boston Inspectional Services Department with offices at 1010 Massachusetts Avenue, Boston, Massachusetts, 02118, its successors and assigns.

H. "**PIC**" shall mean the Public Improvement Commission of the City of Boston with offices at One City Hall Plaza, Room 714, Boston, Massachusetts, 02201, its successors and assigns.

I. "**City**" shall mean the City of Boston.

J. "**PWD**" shall mean the Public Works Department of the City of Boston with offices at One City Hall Plaza, Room 714, Boston, Massachusetts, 02201, its successors and assigns.

K. "**Site**" shall mean the parcel(s) as set forth in the Site Plan (Exhibit A). The legal description of the Site is more fully set forth in Exhibit B.

L. "**Site Plan**" shall mean the Development's Site Plan as approved by BTD and set forth more fully in Exhibit A. The Site Plan is subject to change by BTD and/or PIC.

M. "TAPA" shall mean this Transportation Access Plan Agreement.

Section 2. Development and Mitigation Summary

A. Development Summary

Described below is a summary of the proposed Development:

1000 Washington Street and 321 Harrison Avenue (the "Project" and/or the "Site") will involve the addition of a new 8-story office building (321 Harrison Avenue) to be built above an existing 3-story parking garage and opposite an existing on-site 11-story office building (1000 Washington Street). The new addition will be comprised of:

- Approximately 230,000 sf of new office space;
- Reconfigure existing lobby and loading areas currently serving 1000 Washington Street to serve both office towers on-site;
- Addition of 2,500 sf of ground floor retail liner at the former loading dock area: and
- Reduction of the existing parking garage by about 50 spaces to approximately 250 spaces will accommodate all on-site users.

The Project is more particularly described in an Expanded Project Notification Form (EPNF) submitted to the BPDA on May 26, 2016. The Project was subsequently approved by the BPDA Board on September 15, 2016.

B. Mitigation Summary

In order to mitigate the impacts of the Development a summary of the major mitigation commitments is described below:

- Reconstruct and improve sidewalks adjacent to the Site, including streetscape and landscape improvements.
- Widen both the Harrison Avenue and William E. Mullins Way sidewalks.
- Provide and maintain a landscaped public plaza along Harrison Avenue at William E. Mullins Way.
- Consolidate and/or eliminate existing curb cuts around the Site.
- Developer will contribute up to $230,000 for local area transportation infrastructure improvements planned for the South End neighborhood.
- Provide bicycle accommodation on-site for residents, employees, and visitors:
    - Secure, covered bicycle storage for building employees.
    - Exterior public bicycle racks for short-term visitors.
- Provide electric vehicle charging for 5% of the total garage parking spaces and sufficient infrastructure capacity such that the installation of future charging stations does not require an upgrade to electric service or panels, for future accommodation of at least 15% of the total parking spaces.
- Work with a car sharing service to determine the feasibility of providing on-site car sharing services.
- Implement a Transportation Demand Management program as further described in Section 4.D.

Section 3. Site Access and Parking Management

A. Site Plan

The 1:20 scale Site Plan is attached as Exhibit A, signed and stamped by a licensed engineer in the state of Massachusetts, and approved by BTD. The Site Plan is subject to change by BTD and/or PIC.

Described below are the elements that have been included in the Site Plan:

- Right-of-way layout
- Sidewalk/pedestrian ramps
- Curb cuts/driveways
- Traffic control devices (signs, pavement markings, etc.)
- Existing and proposed curb regulations for on-street parking
- Sidewalk furniture, bicycle racks
- Hydrants
- Truck turning path plotted on 1:20 scale plan for a design vehicle approved by BTD at entrances to all loading areas and intersections.

An amendment to this TAPA will be required only when Site Plan or building program changes are desired that will materially affect overall Site access, Site operations, or area circulation patterns and will be fully coordinated between the Proponent, BTD, and PIC. Any changes to the Site Plan requested by BTD or PIC shall require approval by the proponent.

B. Site Access

a. Described below is a summary of the vehicular ingress and egress as depicted in the Site Plan *(Exhibit A):*

As shown on the Site Plan illustrated on Exhibit A.1:

- Primary pedestrian access/egress for the Site will remain as it is currently from Harrison Avenue and Washington Street.
- Vehicular access/egress to the existing parking garage will remain as it is currently from Harrison Avenue and Washington Street.
- Access/egress to loading and service area will be from William E. Mullins Way.

b. Described below is a summary of the truck loading and service management as depicted in the Site Plan *(Exhibit A):*

Loading, service, and trash operations for the Site will occur in a reconfigured loading area off William E. Mullins Way, as shown in Exhibit A.2:

- Single unit trucks up to 36 feet in length (SU-36) will be able to access the interior loading/service bays.
    - Two (2) loading bays and one (1) bay for trash collection will be provided.
    - Loading bays will have a minimum clear height of 14’-0”.
    - Loading bay doors will have a clear height of 14’-0”.
- Building management will manage loading/service area:
    - Building management will encourage all loading and service activities to occur during off-peak times of traffic.
- Permanent “No Idling” signs will post 5-minute idling law restrictions within the loading/service area as appropriate.

C. Parking Management

Described below is the Development’s parking management plan:

The Development will provide up to 250 parking spaces in a 3-level above grade parking garage. The garage will be open 24 hours a day, all year.

- Parking will be available to both existing and new office users as well as to users of the new retail/commercial space at the Development.
- Commercial public parking of up to 50 spaces will be available at the Development garage, as called for in the PDA Plan and subject to Boston Air Pollution Control Commission (BAPCC) approvals.
    - Parking payment machine(s) for commercial public parking will be provided in the garage lobby area to minimize queuing times of vehicles exiting the garage.
- Provide parking spaces for a shared car service, if feasible.

- Provide preferential parking for carpool, vanpool, and other high-occupancy vehicles.
- Parking will be provided at market rates.
- Parking will be self-park and/or valet assisted with monthly users having key card or transponder access.
- Electric vehicle charging station(s) will be provided for up to 5% of total garage parking spaces and sufficient infrastructure capacity will be provided for future accommodation of additional electric vehicle charging station(s) at up to 15% of total garage parking should demand arise.
- Provide, maintain, and update a kiosk or information boards in the office lobby to disseminate information regarding local travel options.
- Visible and audible pedestrian indications will be installed at the garage driveway in accordance with BTD guidelines.
- Provide bicycle accommodation on-site for employees, and visitors:
    - Secure bicycle storage will be provided within the garage accommodating approximately 90 bicycles for office and commercial/retail employee use.
    - Public bicycle racks will be provided for 18 bicycles near Development entrances and elsewhere around the Site for visitors.
    - Shower/changing facilities will be available for the Development.

Section 4. Mitigation and Timeline

A. Required before issuance of a Building or Foundation Permit by ISD (whichever is needed first by the Developer).

a. A signed and executed copy of this Agreement (TAPA).

b. An approved Construction Management Plan (CMP), *(BTD Requirements for Construction Management Plan (CMP) are set forth in Appendix 1)*.

B. Required after issuance of the first Building or Foundation Permit by ISD (whichever is needed first by the Developer).

Traffic Monitoring Equipment

In order to monitor construction and/or for long-term traffic and intersection monitoring, the Developer, when required, shall:

- None.

C. Required before issuance of a Certificate of Occupancy by ISD.

Transportation Systems Improvements When required, in order to mitigate the transportation impacts of the Development, the Developer shall implement the following Transportation System Improvements. These improvements will offset the transportation impacts of the Development on roadways, sidewalks, intersections and public transit. BTD Requirements for Implementation of Transportation System Improvements are set forth in *Appendix 2*.

a. Geometric Changes to Public Riqht-of-Way:

Described below are the Developer's commitments for changes to the Public Right-of- Way:

As illustrated in Exhibit A.1 and subject to PIC review and approval, the Project will:

- Reconstruct and improve sidewalks adjacent to the Site along the west side of Harrison Avenue, south side of Herald Street, east side of Washington Street, and north side of William E. Mullins Way, including streetscape and landscape improvements.
    - Improvements to sidewalks along Harrison Avenue and William E. Mullins Way include widening.
    - Provide a public plaza along Harrison Avenue at William E. Mullins Way.
    - All improvements will be consistent with Harrison Albany .Corridor Strategic Plan.
- Provide curb cuts with flush sidewalk treatment along Herald Street and Washington Street for the existing parking garage driveways and along William E. Mullins Way for the loading dock driveway:
    - Close all two (2) of the three (3) curb cuts on Harrison Avenue; and
    - Close one (1) of the two (2) curb cuts along William E. Mullins Way.

b. Traffic Signal System Improvements:

Described below are the Developer's commitments for Traffic Signal System Improvements:

- None.

c. Pavement Markings and Sign Improvements:

Described below are the Developer's commitments for Pavement Markings and Sign Improvements:

- Improve and add street signs at the Site as required by BTD along the west side of Harrison Avenue, south side of Herald Street, east side of Washington Street, and north side of William E. Mullins Way.
    - Provide pick-up/drop-off along Harrison Avenue for shuttle buses and private vehicles.
- Improve and add pavement markings along the length of William E. Mullins Way between Harrison Avenue and Washington Street.

d. Public Transportation Improvements:

Described below are the Developer's commitments for Public Transportation Improvements:

- None.

e. Street Furniture Improvements:

Described below are the Developer's commitments for Street Furniture Improvements:

- Provide sidewalk and streetscape improvements immediately abutting the Site along the west side of Harrison Avenue, south side of Herald Street, east side of Washington Street, north side of William E. Mullins Way and the public plaza along Harrison Avenue at William E. Mullins Way.
    - All improvements will be consistent with Harrison Albany Corridor Strategic Plan.
- Provide public short-term bicycle parking for approximately 18 bicycles at convenient locations around the Site.

f. All Other Mitigation:

Described below are other commitments by the Developer not addressed above:

- Contribute up to $230,000 for local area transportation infrastructure improvements planned for the South End neighborhood.
- Work with a car sharing service to determine the feasibility of providing onsite car sharing services.

D. Required after issuance of Certificate of Occupancy by ISD.

Transportation Demand Management (hereinafter "TDM") Measures In order to mitigate the transportation impacts of the Development on an ongoing basis after the Development is occupied, the Developer shall institute TDM Measures. TDM Measures minimize the use of automobiles being used by one person, also known as Single Occupancy Vehicle use (hereinafter "SOV") and maximize the use of alternative modes of transportation. This will reduce traffic congestion and air pollution and provide employees with incentives for flexible work time.

a. Transportation Management Association (hereinafer "TMA") Membership

The Developer shall work with other area businesses in implementing TDM Measures. Joining and participating in a local TMA will satisfy this requirement. TMA's can provide many of the reguired TDM Measures, including ridematching, guaranteed ride home, and transit information and promotional materials.

Described below are the Developer's commitments to TMA membership:

- Provide written evidence to BTD prior to the issuance of a Certificate of Occupancy for the Development that the Developer has contacted the local TMA in implementing its TDM programs.
- Provide written evidence that the Developer has become a member of the local TMA. Membership in the TMA will occur within 6 months of the issuance of permanent Certificate of Occupancy. BTD may waive this reguirement at its discretion.

b. Transportation Coordinator

A Transportation Coordinator shall oversee all transportation issues including, managing TDM Measures, parking, loading and service. In addition, the Transportation Coordinator will be responsible for the Transportation Monitoring and Annual Report described below, and will serve as the contact and liaison for BTD and TMA

Described below are the Developer's commitments for a Transportation Coordinator:

- The Developer will designate a full time on-site employee as the Transportation Coordinator within 6 months of the issuance of a Certificate of Occupancy. The Transportation Coordinator may be part of .the building management staff.
    - The Transportation Coordinator will be responsible for managing TDM commitments, including being the representative of the Project in the TMA and for BTD. The Transportation Coordinator may also manage service and loading operations on the Site.
    - Provide BTD with the name and contact information of the Transportation Coordinator within 6 months of the issuance of a Certificate of Occupancy.

c. Transit Pass Programs

Described below are the Developer's commitment for Transit Pass Programs:

- The Developer will develop marketing materials and orientation packets for new tenants to highlight the excellent pedestrian and transit accessibility of the Site.
- The Developer will create lease language encouraging all commercial and retail tenants to promote public transportation and subsidize employee use of public transit, as follows:
    - Encourage tenants to provide a 50% subsidy for all full-time and part-time employees. Striving for a transit subsidy of 50% is a consistent Citywide goal as part of TDM and mitigation programs.
    - Encourage participation in the MBTA Corporate T-Pass Program. Participation in the MBTA Corporate T-Pass program enables the employee, and in many cases the employer, to receive a pre-tax deduction.
    - Provide information on bus and subway routes and schedules to its employees.

d. Ridesharing / Carpooling

Described below are the Developer's commitments to Ridesharing/Carpooling:

- The Developer will join the local TMA, which will be available to commercial tenants to facilitate employee ridesharing through geographic matching.
    - If the Development has a web site, that web site will include a link to the local TMA web site (subject to their permission).

e. Guaranteed Ride Home Program

Described below are the Developer's commitments to Guaranteed Ride Home Program:

- The Developer will join the local TMA, which will be available to commercial tenants to offer a "Guaranteed Ride Home" to all employees in order to remove an obstacle to transit use and ridesharing.

f. Information and Promotion of Travel Alternatives

Described below are the Developer's commitments to provide information and promote travel alternatives to employees and/or residents:

- The Developer will communicate in its marketing materials and orientation packets for new tenants the transit-oriented nature of the Development and promote the proximity to public transportation and both car-sharing and bicycle-sharing services.

Through the Transportation Coordinator at the building, the Developer will:

- Provide tenants with information about travel alternatives including transit information, and local car and bicycle sharing services in the Development's lobby.
- Provide information on travel alternatives via the Development's web site, should one be active.
- Encourage tenants to provide information on travel alternatives to new employees.

g. Transportation Monitoring and Annual Report

The purpose of the Transportation Monitoring and Annual Report is to provide BTD an update on transportation related issues, such as the performance of TDM Measures.

The Developer shall provide an Annual Report to BTD by November 30th. If the Certificate of Occupancy for the Development is issued less than 6 months before November 30th, then the report will be due November 30th of the following year. All employee sites with 250 or more employees are reguired to submit yearly ridesharing surveys to the Massachusetts Department of Environmental Protection (DEP) by November 15th. The information may be used to inform the Annual Report due November 30th to BTD.

Section 5. Terms and Conditions

A. Defaults and Remedies

In the event that the Developer shall fail to comply with or shall breach any provisions of this TAPA, and such failure or breach shall continue for 60 days after written notice thereof from BTD, BTD may institute any such actions and proceedings as BTD may deem appropriate, including but not limited to actions: to compel specific performance; and/or to collect any and all damages, expenses, losses and costs caused by such failure or breach, including legal expenses.

B. Records and Reports

The Developer shall keep and maintain books, records, and other documents regarding compliance with this TAPA. The Developer shall make the same available at all reasonable times for inspection, copying, audit and examination by BTD, and shall provide BTD with an annual report that summarizes the same by November 30th of each calendar year.

This TAPA shall not be recorded with the Registry of Deeds. However, the Developer agrees, upon the request of BTD, to record a Notice of this Agreement with the Registry of Deeds. Any such notice shall expressly state that it is executed pursuant to the provisions contained in this TAPA and it is not intended to vary the terms and conditions of this Agreement.

C. Assumption of Liability

The Developer shall assume the defense of BTD, its officers, agents, and/or employees, and hold them harmless from all suits and claims against them or any of them, arising from any act or omission of the Developer, its agents or employees in any way connected with performance under this Agreement.

D. Assignment

The Developer may assign its interest in this TAPA, but only subject to and by complying with the following conditions:

a. Prior to the assignment, the Developer shall notify BTD of its intention to assign and identify all prospective assignees.

b. At the time of assignment, the Developer shall not be in default of the terms and conditions of this TAPA imposed upon the Developer to date. If any terms and conditions are in default, the Developer must notify BTD and receive BTD's approval to assign while in default.

c. BTD shall then supply the Developer with the appropriate form to be used as the instrument of assignment, which shall be executed as an Amendment to this TAPA.

d. The TAPA Amendment shall be drafted by the Developer expressly stating the terms and conditions of the assignment, specifically which covenants and provisions the Assignee shall assume and agree to perform, including any mitigation that may be in default.

e. There shall promptly be delivered to BTD three originals of the TAPA signed by the Developer and Assignee, for signature and approval by BTD.

E. Waiver

No act by or on behalf of BTD shall be, or deemed or construed to be, a waiver of any such requirement or provision of this TAPA, unless the same be in writing, signed by BTD and expressly stated to constitute such waiver. Any express waiver by BTD shall not operate to waive such rights, terms or conditions, beyond the specific instance of such waiver.

F. Conflict of Interest

The Developer covenants and agrees that it shall, in carrying out its responsibilities under this Agreement, comply strictly with each and every provision of Chapter 268A of the Massachusetts General Laws (the Conflict of Interest Law) to the full extent of the applicability of said provisions to the Developer.

G. Successors and Assigns

The provisions of this TAPA shall be binding upon, and shall inure to the benefit of, the successors and assigns of the Developer (including without limitation any condominium association or other association having powers of control over the Site or any portion thereof under Chapter 183A of the Massachusetts General Laws) and the public body or bodies succeeding to the interests of BTD.

It is the intention of the Parties that the provisions of this TAPA may only be enforced by the Parties hereto and that no other person or persons are authorized to undertake any action to enforce any provisions hereof without the prior written approval of the Parties.

H. Amendment

This TAPA, or any part thereof, may be amended from time to time hereafter only in writing executed by BTD and the Developer.

I. Severability

Each and every covenant and agreement contained in this TAPA is and shall be construed to be a separate and independent covenant and agreement. If any term or provision of this TAPA or the application thereof to any person or circumstance shall to any extent be invalid and unenforceable, the remainder of this Agreement or the application of such term to persons or circumstances other than those as to which it is invalid and unenforceable shall not be affected thereby, and each term and provision of this TAPA shall be valid and shall be enforced to the extent permitted by law.

J. Governing Law

This TAPA shall be governed and construed in accordance with the laws of the Commonwealth of Massachusetts.

K. Conflict of Law

In the event that any action or activity required by the provisions herein cannot be undertaken without violating any special or general law, the failure to undertake or continue to undertake such action or activity shall not be considered a breach of this TAPA. Any Party relying on this section shall notify the other Party in writing identifying the affected action or activity, the applicable law that may be violated and providing an explanation as to why that law would be violated by taking such action or activity.

L. Execution in Triplicate

This TAPA shall be executed in triplicate. All three copies shall be deemed to be originals and together shall constitute but one and the same instrument.

M. Effective Date

This TAPA shall become effective as of the date it is executed by all Parties.

N. Terms of this Agreement

This Agreement shall commence on the "Effective Date" and shall terminate thirty (30) years from that date.

O. Mitigation Expenses

All mitigation measures undertaken pursuant to this contract shall be at the expense of the Developer and no expense will be incurred by BTD with respect to such measures.

P. Notices

All notices or other communication required or permitted to be given under this Agreement shall be in writing, signed by a duly authorized officer of the Developer, or of BTD, and shall be deemed delivered if mailed postage prepaid, by registered or certified mail, return receipt requested, or delivered by hand to the principal office of the intended Party, which is as follows unless otherwise designated by written notice to the other Party.

DEVELOPER: 1000 Washington (Boston) Owner, LLC
c/o Nordblom Development Company
15 Third Avenue
Burlington, MA 01803
Attn: Ogden Hunnewell

with a copy to:	Rubin and Rudman LLP 50 Rowes Wharf Boston, MA 02110 Attn: Paula Deverauex, Esq.
BTD:	Boston Transportation Department Boston City Hall, Room 721 One City Hall Plaza Boston, MA 02201 Attn: BTD Commissioner
with a copy to:	Boston Law Department Boston City Hall, Room 615 One City Hall Plaza Boston, MA 02201 Attn: Assistant Corporate Counsel

(Signatures on next page)

Q. Signatures

IN WITNESS WHEREOF, the parties hereto have caused this TAPA to be signed, sealed and delivered by their respective duly authorized representatives,

DEVELOPER: 1000 WASHINGTON (BOSTON) OWNER, LLC

By: /s/ Ogden Hunnewell
(As duly authorized, see Exhibit C)

Date: 11/1/17

CITY: BOSTON TRANSPORTATION DEPARTMENT

By: /s/ Gina N. Fiandaca
Gina N. Fiandaca, Commissioner

Date: 11/15/17

Approved as to form:

/s/ David Zuares
David Zuares, Assistant Corporation Counsel
City of Boston Law Department

Attachments

Appendix 1: BTD Requirements for Construction Management Plan (CMP)
Appendix 2: BTD Requirements for Implementation of Transportation System Improvements

Exhibit A - Site Plans:
- Exhibit A.1 - Site Plan
- Exhibit A.2 - Vehicle Maneuvers

Exhibit B: Legal Description of the Site
Exhibit C: Evidence of Authority

Appendix 1

BTD Requirements for Construction Management Plan (CMP)

The Developer shall prepare a Construction Management Plan (which details measures to ensure the maintenance of existing levels of service on adjacent roadways during the construction of the Development and to minimize disruption in the area, and shall submit said plan to BTD for approval. Such approval shall be obtained prior to the Developer obtaining any building permit from ISD. It is understood by the Developer that the development of a CMP is a precondition to the issuance of a building permit for the Development by ISD.

The CMP shall include, without limitation, measures dealing with: proposed street occupancies; use of tower cranes; sidewalk occupancies or obstruction of pedestrian flow; materials staging; transportation and parking for construction workers; hours of construction work; materials delivery. Key issues to be incorporated in the CMP include:

- The need for full or partial street closures, street occupancy, sidewalk closures and/or sidewalk occupancy during construction.
- Frequency and schedule for truck movements and construction materials deliveries, including designated and prohibited delivery times.
- Truck routing plan (including designated truck routes and sign plan).
- Construction staging and material handling. Staging areas to be coordinated with existing construction occurring in the area.
- Times of construction activity.
- Plans for maintaining pedestrian and vehicle access during each phase of construction.
- Parking provisions for construction workers.
- Mode of transportation for construction workers, initiatives for reducing Driving and parking demand such as TDM Measures as applied to construction workers.
- Coordination with other construction projects in the area.
- Distribution of information regarding construction conditions and impact mitigation to abutters. This includes construction site signs. All construction sites shall include a sign that lists the name of the construction company (general contractor), their phone number, which is clearly visible to enable the public to call with any questions or concerns.
- Costs. All construction costs are the responsibility of the developers.

Failure to comply with the provisions of the CMP may result in withdrawal of the building permit or street occupancy permit until such time as the Commissioner of BTD determines that the Developer is in compliance with the construction management plan.

Appendix 2

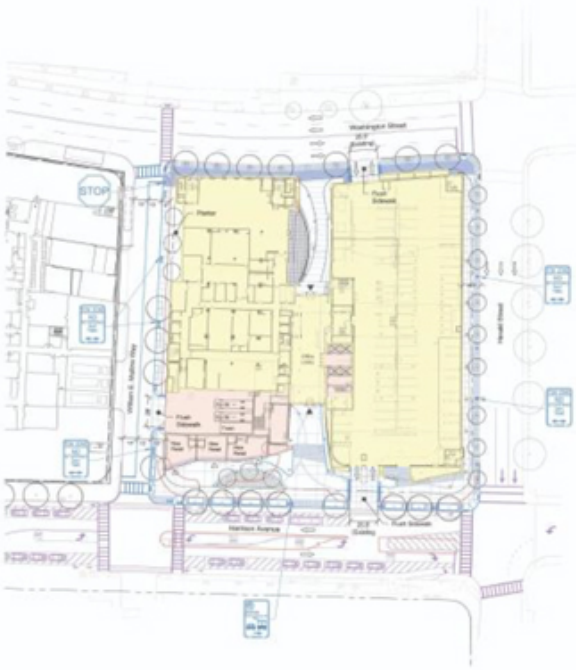
BTD Requirements for Implementation of Transportation System Improvements

All transportation system improvements including, geometric changes, traffic signal changes and all elements of the design, construction and inspection, will be carried out and fully funded by the Developer in close coordination with BTD. All work must meet BTD specifications and standards and must be performed by certified and licensed firms that meet BTD's approval. BTD must approve each step in the design and construction process. The Developer is responsible for obtaining all necessary permits and licenses. Once completed the improvements will be made available for BTD inspection. Based on inspection, the Developer shall complete any outstanding items or repairs within 3 months of the inspection date. If the Developer is unable to meet these deadlines, the Developer shall notify BTD in writing to request an extension. Based on consultation with the Developer, BTD may, at its discretion, set new deadlines. Once approved, ownership of the improvements will transfer to the City and the appropriate agency therein, and all final design documents will be submitted to the City.

Exhibit A

Site Plan

[Attached]



NOT FOR CONSTRUCTION

Proposed Sign	Proposed Improvements	Proposed Meter	Proposed Tree Pit	Street Light	Travel Lane	Existing Area	
Sign to Remain	Existing	Existing Meter	Proposed Bollard	Proposed Bike Rack	Primary Entrance	New Ground Floor Supporting Office Tower Above Existing Garage	
	Curb To Be Removed	Meter to be Removed	Proposed Bollard With Light	Parking	Secondary Entrance		
	Proposed Improvements By Others		Proposed Light Pole With Planters	Shuttle Bus			

0 20 40 80 160 FEET
1" = 40'-0"

FINAL DESIGN PER
TRANSPORTATION ACCESS PLAN AGREEMENT

1000 Washington Street and 321 Harrison Avenue

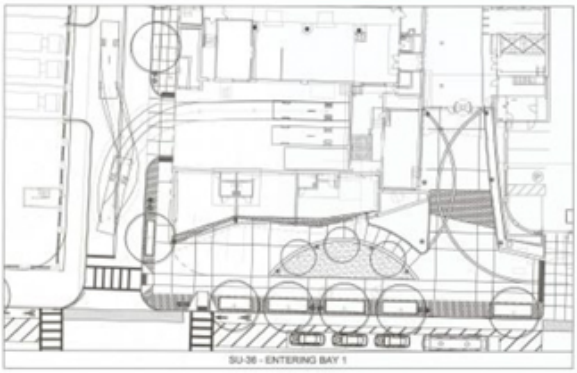
SITE PLAN

EXHIBIT A.1

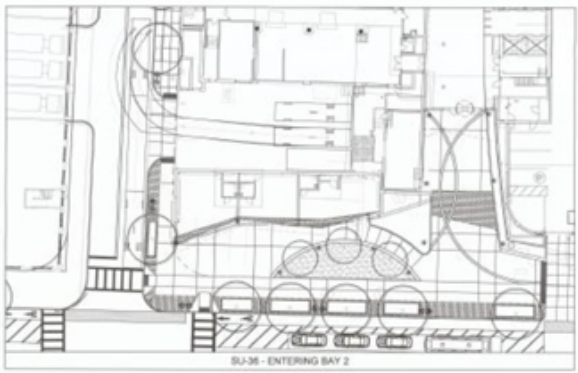
Date: October 2017

Scale: 1" = 40'-0"

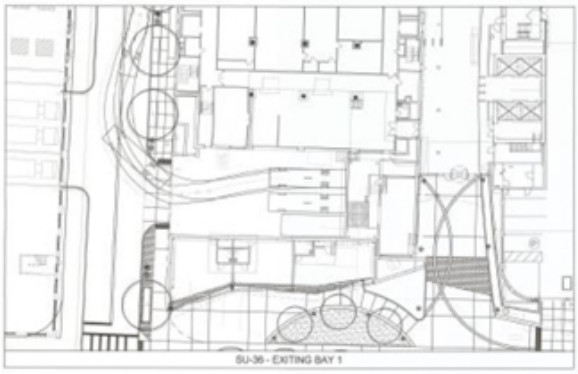
SITE PLAN IS SUBJECT TO REVISIONS BY BID AND PAC



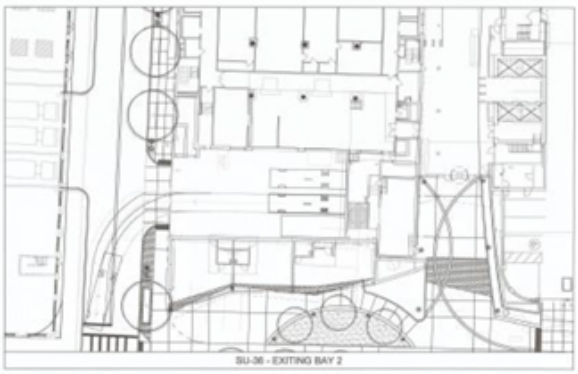
SU-36 - ENTERING BAY 1



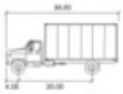
SU-36 - ENTERING BAY 2



SU-36 - EXITING BAY 1



SU-36 - EXITING BAY 2



SU-36

	Feet
Width	8.00
Track	8.00
Lock to Lock Time	4.00
Steering Angle	31.80

FINAL DESIGN PER

TRANSPORTATION ACCESS PLAN AGREEMENT

1000 Washington Street and 321 Harrison Avenue

VEHICLE MANEUVERS

EXHIBIT A.2

Date: October 2017

Scale: 1" = 20'-0"

SITE PLAN IS SUBJECT TO REVISIONS BY MTO AND PIC

Exhibit B

Legal Description of the Site

A CERTAIN PARCEL OF LAND WITH BUILDINGS THEREON NUMBERED 311-321 HARRISON AVENUE, SITUATED IN THE CITY OF BOSTON, COUNTY OF SUFFOLK IN THE COMMONWEALTH OF MASSACHUSETTS, WHICH PARCEL IS SHOWN ON A PLAN BY BSC GROUP, ENTITLED, "CONSOLIDATION PLAN OF LAND; 311-321 HARRISON AVENUE IN BOSTON, MASSACHUSETTS (SUFFOLK COUNTY)", DATED AUGUST 21, 2006 AND RECORDED WITH SAID DEEDS AS PLAN NO. 882 OF 2006, AND BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE PARCEL, SAID CORNER BEING THE INTERSECTION OF THE EASTERLY LINE OF WASHINGTON STREET WITH THE NORTHERLY LINE OF WILLIAM E. MULLINS WAY, SAID POINT BEING THE POINT OF BEGINNING; THENCE

N 14° 58' 41" E	A DISTANCE OF ONE HUNDRED TWELVE AND TEN HUNDREDTHS FEET (112.10) TO A POINT; THENCE
S 73° 22' 25" E	A DISTANCE OF FIVE AND THREE HUNDREDTHS FEET (5.03) TO A POINT; THENCE
N 10° 15' 59" E	A DISTANCE OF TWENTY-FOUR AND FOURTEEN HUNDREDTHS FEET (24.14) TO A POINT; THENCE
N 10° 19' 19" E	A DISTANCE OF ONE HUNDRED TWENTY AND EIGHTY HUNDREDTHS FEET (120.80) TO A POINT OF CURVATURE;

THE PREVIOUS FOUR (4) COURSES BOUNDING ON THE EASTERLY LINE OF SAID WASHINGTON STREET; THENCE

NORTHEASTERLY	AND CURVING TO THE RIGHT ALONG THE ARC OF A CURVE HAVING A RADIUS OF TWENTY AND NO HUNDREDTHS FEET (20.00), A LENGTH OF THIRTY-THREE AND FIVE HUNDREDTHS FEET (33.05) TO A POINT ON THE SOUTHERLY SIDELINE OF HERALD STREET; THENCE
S 74° 59' 19" E	A DISTANCE OF TWO HUNDRED SIXTY-TWO AND FIFTY-FIVE HUNDREDTHS FEET (262.55) ALONG SAID SOUTHERLY LINE OF HERALD STREET TO A POINT OF CURVATURE; THENCE

SOUTHEASTERLY	AND CURVING TO THE RIGHT ALONG THE ARC OF A CURVE HAVING A RADIUS OF TWENTY AND NO HUNDREDTHS FEET (20.00), A LENGTH OF THIRTY-ONE AND EIGHTY-SIX HUNDREDTHS FEET (31.86) TO A POINT ON THE WESTERLY SIDELINE OF HARRISON STREET; THENCE
S 16° 17’ 05” W	A DISTANCE OF ONE HUNDRED NINETY-TWO AND TWENTY- NINE HUNDREDTHS FEET (192.29) TO A POINT; THENCE
S 72° 50’ 03” E	A DISTANCE OF TEN AND NO HUNDREDTHS FEET (10.00) TO A POINT; THENCE
S 16° 17’ 05” W	A DISTANCE OF NINETEEN AND THIRTY-ONE HUNDREDTHS FEET (19.31) TO A POINT; THENCE
N 72° 45’ 55” W	A DISTANCE OF TEN AND NO HUNDREDTHS FEET (10.00) TO A POINT; THENCE
S 16° 17’ 05” W	A DISTANCE OF THIRTY-EIGHT AND NO HUNDREDTHS FEET (38.00) TO A POINT OF CURVATURE;

THE PREVIOUS FIVE (5) COURSES BOUNDING ON SAID WESTERLY LINE OF HARRISON AVENUE; THENCE

SOUTHWESTERLY	AND CURVING TO THE RIGHT ALONG THE ARC OF A CURVE HAVING A RADIUS OF TWENTY AND NO HUNDREDTHS FEET (20.00), A LENGTH OF THIRTY-ONE AND EIGHTY-TWO HUNDREDTHS FEET (31.82) TO A POINT ON THE NORTHERLY LINE OF WILLIAM E. MULLINS WAY; THENCE
N 72° 33’ 10” W	A DISTANCE OF TWO HUNDRED SIXTY-NINE AND FORTY-TWO HUNDREDTHS FEET (269.42) ALONG SAID NORTHERLY LINE OF WILLIAM E. MULLINS WAY TO THE POINT OF BEGINNING.

A PORTION, OF THE ABOVE DESCRIBED PARCEL (TRACT I, PARCEL D) IS REGISTERED LAND AND IS SHOWN ON LAND COURT PLAN NUMBER 2213A.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS AN AREA OF 83,470 SQUARE FEET, MORE OR LESS.

Exhibit C

Evidence of Authority

[See attached]

The Commonwealth of Massachusetts
William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Room 1717, Boston, Massachusetts 02108-1512

Foreign Limited Liability Company
Application for Registration
(General Lam Chapter 156C, Section 48)

Federal Identification No.: _____

(la) The exact name of the limited liability company:

1000 Washington (Boston) Owner, LLC

(1b) If different, the name under which I propose: to do business in the Commonwealth of Massachusetts:

_____

(2) The jurisdiction* where the limited liability company was organized:

Delaware

(3) The date of organization in that jurisdiction 7/18/2017

(4) The general character of the business the limited lldsffity company prepose* to do In the Commonwealth:

Real Estate Investment Management

(5) The business address of Its principal office:

4700 Wilshire Blvd.
Los Angeles, CA 80010

(6) The business address of its principal office In the Commonwealth, if any:

(7) The name and business address, if different from principal office location, of each manager:

1000 Washington (Boston) Venture, LLC — 4700 Wilshire Blvd.
Los Angeles, CA 90010

(8) The name and business address of each person authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an Interest in real property recorded with a registry of deeds or district office of the land court:

NAME	ADDRESS
See attachment A	

(9) The name and street address of the resident agent in the Commonwealth:

Paracorp Incorporated	44 School Street, Suite 325 Boston, MA 02128

(10) The latest dm of dissolution, if specified) _____

(11) Additional matters:

Signedby (*by at least one authorized signatory*): /s/ Jordan Dembo Vice President & Secretary

---

1 See Attached,

Resident agent of the above limited liability company, consent to my appointment as resident agent pursuant to B.L. e156C § 48 (or attach resident agent's consent hereto).

* *Attach a certificate of existence or good standing issued by an officer or agency properly authorized in borne state.*

Foreign Limited Liability Company Application for Registration
Attachment A

Avraham Shemesh	**4700 Wilshire Blvd., Los Angeles, CA 90010**
Richard S. Ressler	**4700 Wilshire Blvd., Los Angeles, CA 90010**
Shaul Kuba	**4700 Wilshire Blvd., Los Angeles, CA 90010**
Nicholas V. Morosoff	**4700 Wilshire Blvd., Los Angeles, CA 90010**
Kelly Eppich	**4700 Wilshire Blvd., Los Angeles, CA 90010**
Charles E. Gamer, 11	**4700 Wilshire Blvd., Los Angeles, CA 90010**
Terry Wachsner	**4700 Wilshire Blvd., Los Angeles, CA 90010**
Jordan Dembo	**4700 Wilshire Blvd., Los Angeles, CA 90010**
David Thompson	**4700 Wilshire Blvd., Los Angeles, CA 90010**

Delaware
The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "1000 WASHINGTON (BOSTON) OWNER, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTIETH DAY OF JULY, A.D. 2017.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "1000 WASHINGTON (BOSTON) OWNER, LLC" WAS FORMED ON THE EIGHTEENTH DAY OF JULY, A.D. 2017.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN ASSESSED TO DATE.

THE COMMONWEALTH OF MASSACHUSETTS

REGISTERED AGENT CONSENT FORM

DATE: 07/20/2017

COMPANY NAME: 1000 WASHINGTON (BOSTON) OWNER, LLC

REGISTERED AGENT NAME AND ADDRESS:

Paracorp Incorporated
44 School Street, Suite 325
Boston, MA 02108

I, Ninh Ho, hereby accept appointment as registered agent for and on behalf of the above-referenced company.

/s/ Ninh Ho

Ninh Ho, Assistant Secretary
Paracorp Incorporated

THE COMMONWEALTH OF MASSACHUSETTS

I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are deemed to have been filed with me on:

July 25, 2017 02:03 PM

/s/ William Francis Galvin

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

EXHIBIT H

TENANT'S PROPERTY

EXHIBIT I

FORM OF ESTOPPEL CERTIFICATE

To: B9 LS HARRISON & WASHINGTON LLC
4570 Executive Drive, Suite 400
San Diego, California 92121
Attention: Legal Department

BioMed Realty III LP
4570 Executive Drive, Suite 400
San Diego, California 92121

Re: [PREMISES ADDRESS] (the "Premises") at 321 Harrison Avenue, Boston, Massachusetts (the "Property")

The undersigned tenant ("Tenant") hereby certifies to you as follows:

1. Tenant is a tenant at the Property under a lease (the "Lease") for the Premises dated as of [_____], 20[__]. The Lease has not been cancelled, modified, assigned, extended or amended [except as follows: [_____]], and there are no other agreements, written or oral, affecting or relating to Tenant's lease of the Premises or any other space at the Property. The lease term expires on [_____], 20[__].

2. Tenant took possession of the Premises, currently consisting of [_____] square feet, on [_____], 20[__], and commenced to pay rent on [_____], 20[__]. Tenant has full possession of the Premises, has not assigned the Lease or sublet any part of the Premises, and does not hold the Premises under an assignment or sublease[, except as follows: [_____]].

3. All base rent, rent escalations and additional rent under the Lease have been paid through [_____], 20[__]. There is no prepaid rent[, except $[_____]][, and the amount of security deposit is $[_____] [in cash][OR][in the form of a letter of credit]]. Tenant currently has no right to any future rent abatement under the Lease.

4. Base rent is currently payable in the amount of $[_____] per month.

5. Tenant is currently paying estimated payments of additional rent of $[_____] per month on account of real estate taxes, insurance, management fees and Common Area maintenance expenses.

6. All work to be performed for Tenant under the Lease has been performed as required under the Lease and has been accepted by Tenant[, except [_____]], and all allowances to be paid to Tenant, including allowances for tenant improvements, moving expenses or other items, have been paid.

7. The Lease is in full force and effect, free from default and free from any event that could become a default under the Lease, and Tenant has no claims against the landlord or offsets or defenses against rent, and there are no disputes with the landlord. Tenant has received no notice N-1 of prior sale, transfer, assignment, hypothecation or pledge of the Lease or of the rents payable thereunder[, except [_____]].

8. [Tenant has the following expansion rights or options for leasing additional space at the Property: [_____].][OR][Tenant has no rights or options to purchase the Property.]

9. To Tenant's knowledge, no hazardous wastes have been generated, treated, stored or disposed of by or on behalf of Tenant in, on or around the Premises or the Project in violation of any environmental laws.

10. The undersigned has executed this Estoppel Certificate with the knowledge and understanding that [INSERT NAME OF LANDLORD, PURCHASER OR LENDER, AS APPROPRIATE] or its assignee is [acquiring the Property/making a loan secured by the Property] in reliance on this certificate and that the undersigned shall be bound by this certificate. The statements contained herein may be relied upon by [INSERT NAME OF PURCHASER OR LENDER, AS APPROPRIATE], B9 LS Harrison & Washington LLC, BioMed Realty III LP, and any [other]mortgagee of the Property and their respective successors and assigns.

Any capitalized terms not defined herein shall have the respective meanings given in the Lease.

Dated this [_____] day of [_____], 20[__].

[_____],
a [_____]

By: _____
Name: _____
Title: _____

EXHIBIT J

DEFINITION OF OBSOLETE EQUIPMENT

Obsolete equipment shall mean:

- The equipment is outdated, such that it is not reasonable to continue servicing it;
- The equipment is no longer supported by the manufacturer;
- Component or compatible parts of the equipment are no longer available;
- The equipment is no longer compatible with the other equipment in the Building;
- The cost to replace the equipment is equal to or less tha the cost to repair the equipment;
- The equipment poses a safety risk; and/or
- The equipment no longer meets local/state/national guidelines.

Exhibit 21.1

Subsidiaries

Subsidiary	Jurisdiction of Incorporation or Organization
PepGen Limited	England and Wales
PepGen Securities Corp.	Massachusetts

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the use of our report dated April 8, 2022 with respect to the consolidated financial statements of PepGen Inc. and subsidiaries, included herein and to the reference to our firm under the heading “Experts” in the prospectus.

/s/ KPMG LLP

Phoenix, Arizona
April 15, 2022

Exhibit 107

CALCULATION OF FILING FEE TABLE

Form S-1
(Form Type)

PepGen Inc.
(Exact Name of Registrant as Specified in its Charter)

Table 1: Newly Registered Securities

	Security Type	Security Class Title	Fee Calculation Rule	Amount Registered	Proposed Maximum Offering Price Per Share	Maximum Aggregate Offering Price[1][2]	Fee Rate	Amount of Registration Fee
Newly Registered Securities								
Fees to Be Paid	Equity	Common stock, par value $0.0001 per share	Rule 457(o)			$115,000,000	$0.0000927	$10,660.50
	Total Offering Amounts					$115,000,000		$10,660.50
	Total Fees Previously Paid							-
	Total Fee Offsets							-
	Net Fee Due							$10,660.50

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) under the Securities Act of 1933, as amended.
(2) Includes shares of our common stock subject to the underwriters' option to purchase additional shares.