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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2023

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period from _____ to _____
Commission File Number 001-40440

Senti Biosciences, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**86-2437900**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

2 Corporate Drive, First Floor
South San Francisco, CA 94080
(Address of principal executive offices and zip code)

(650) 239-2030
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common stock, par value $0.0001 per share	SNTI	The Nasdaq Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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 pursuant to Section 7(a)(2)(B) of the Securities Act. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 6, 2023 there were 44,545,186 shares of the registrant's common stock, par value $0.0001 per share, issued and outstanding.

SENTI BIOSCIENCES, INC.

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PART 1 - FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS (UNAUDITED)

SENTI BIOSCIENCES, INC.

Condensed Consolidated Balance Sheets
(unaudited)
(in thousands, except share and per share data)

	September 30, 2023	December 31, 2022
Assets		
Cash and cash equivalents	$ 39,430	$ 57,621
Accounts receivable	138	626
GeneFab receivable - related party	18,482	—
Short-term investments	—	40,942
GeneFab prepaid expenses - related party	17,314	—
Prepaid expenses and other current assets	3,643	3,181
Current assets of discontinued operations	—	209
Total current assets	79,007	102,579
Restricted cash	6,398	3,366
GeneFab receivable - related party, net of current portion	1,056	—
Property and equipment, net	26,433	51,361
Operating lease right-of-use assets	17,018	18,418
GeneFab Economic Share - related party	1,677	—
Other long-term assets	177	283
Noncurrent assets of discontinued operations	—	4,785
Total assets	$ 131,766	$ 180,792
Liabilities and Stockholders' Equity		
Accounts payable	$ 1,991	$ 1,370
Finance lease liabilities - related party, current portion	96	—
Early exercise liability, current portion	135	135
Deferred revenue	—	799
GeneFab sublease deferred income - related party	1,047	—
Accrued expenses and other current liabilities	4,043	12,576
Operating lease liabilities	2,586	1,988
Current liabilities of discontinued operations	216	1,185
Total current liabilities	10,114	18,053
Finance lease liabilities - related party, net of current portion	25	—
Operating lease liabilities, net of current portion	34,606	35,103
Contingent earnout liability	20	227
GeneFab Option - related party	4,020	—
Early exercise liability, net of current portion	45	146
Total liabilities	48,830	53,529
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Preferred stock, $0.0001 par value; 10,000,000 shares authorized at September 30, 2023 and December 31, 2022; zero shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively	—	—
Common stock, $0.0001 par value; 500,000,000 shares authorized at September 30, 2023 and December 31, 2022; 44,477,666 and 44,062,534 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively	4	4
Additional paid-in capital	308,560	300,544
Accumulated other comprehensive income	—	1
Accumulated deficit	(225,628)	(173,286)
Total stockholders' equity	82,936	127,263
Total liabilities and stockholders' equity	$ 131,766	$ 180,792

The accompanying notes are an integral part of these condensed consolidated financial statements.

SENTI BIOSCIENCES, INC.

Condensed Consolidated Statements of Operations and Comprehensive Loss
(unaudited)
(in thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue				
Contract revenue	$ 255	$ 1,516	$ 1,978	$ 3,477
Grant income	83	250	583	750
Total revenue	338	1,766	2,561	4,227
Operating expenses				
Research and development (included related party cost of $1,186, $–, $1,186 and $–, respectively)	9,092	6,519	23,028	21,108
General and administrative	9,431	9,995	27,871	28,409
Impairment of property and equipment	25,691	—	25,691	—
Total operating expenses	44,214	16,514	76,590	49,517
Loss from operations	(43,876)	(14,748)	(74,029)	(45,290)
Other income (expense)				
Interest income, net	583	542	2,438	573
Change in fair value of contingent earnout liability	—	(99)	207	8,779
Change in fair value of GeneFab Note Receivable - related party	287	—	287	—
Change in fair value of GeneFab Economic Share - related party	(123)	—	(123)	—
Change in fair value of GeneFab Option - related party	5,629	—	5,629	—
Gain on extinguishment of convertible notes	—	—	—	1,289
GeneFab sublease income - related party	899	—	899	—
Other income (expense)	(14)	2	(26)	(28)
Total other income (expense), net	7,261	445	9,311	10,613
Net loss from continuing operations	(36,615)	(14,303)	(64,718)	(34,677)
Net income (loss) from discontinued operations	21,692	(2,337)	12,376	(5,323)
Net loss	(14,923)	(16,640)	(52,342)	(40,000)
Other comprehensive loss				
Unrealized loss on investments	—	—	(1)	—
Comprehensive loss	$ (14,923)	$ (16,640)	$ (52,343)	$ (40,000)
Net loss per share, basic and diluted				
Net loss per share from continuing operations, basic and diluted	$ (0.83)	$ (0.33)	$ (1.46)	$ (1.73)
Net income (loss) per share from discontinued operations, basic and diluted	0.49	(0.05)	0.28	(0.26)
Net loss per share, basic and diluted	$ (0.34)	$ (0.38)	$ (1.18)	$ (1.99)
Weighted-average shares outstanding, basic and diluted	44,473,400	43,424,172	44,275,741	20,150,459

The accompanying notes are an integral part of these condensed consolidated financial statements.

SENTI BIOSCIENCES, INC.

Condensed Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Equity (Deficit)
(unaudited)
(in thousands, except share data)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount				
Balance as of December 31, 2021	19,517,988	$ 171,833	2,972,409	$ —	$ 3,619	$ —	$ (115,076)	$ (111,457)
Exercise of common stock options	—	—	172,606	—	422	—	—	422
Vesting of early exercise of common stock options	—	—	143,524	—	375	—	—	375
Stock-based compensation expense	—	—	—	—	661	—	—	661
Net loss	—	—	—	—	—	—	(11,808)	(11,808)
Balance as of March 31, 2022	19,517,988	171,833	3,288,539	—	5,077	—	(126,884)	(121,807)
Conversion of redeemable convertible preferred stock into common stock in connection with the Reverse Recapitalization, net of transaction cost	(19,517,988)	(171,833)	19,517,988	2	171,833	—	—	171,835
Issuance of common stock upon Reverse Recapitalization, net of transaction costs	—	—	19,975,963	2	112,180	—	—	112,182
Contingent earnout liability recognized upon closing of the Reverse Recapitalization	—	—	—	—	(9,688)	—	—	(9,688)
Cancellation and exchange of convertible note in connection with PIPE financing	—	—	517,500	—	5,184	—	—	5,184
Gain recognized on fair value of embedded derivative on SPAC merger date	—	—	—	—	(1,289)	—	—	(1,289)
Exercise of common stock options	—	—	27,233	—	74	—	—	74
Vesting of early exercise of common stock options	—	—	41,047	—	102	—	—	102
Stock-based compensation expense	—	—	—	—	9,225	—	—	9,225
Net loss	—	—	—	—	—	—	(11,552)	(11,552)
Balance as of June 30, 2022	—	—	43,368,270	4	292,698	—	(138,436)	154,266
Common Stock Purchase Agreement fee settled in common stock	—	—	100,000	—	196	—	—	196
Additional Reverse Recapitalization transaction costs	—	—	—	—	(223)	—	—	(223)
Vesting of early exercise of common stock options	—	—	170,647	—	454	—	—	454
Stock-based compensation expense	—	—	—	—	2,290	—	—	2,290
Net loss	—	—	—	—	—	—	(16,640)	(16,640)
Balance as of September 30, 2022	—	$ —	43,638,917	$ 4	$ 295,415	$ —	$ (155,076)	$ 140,343

The accompanying notes are an integral part of these condensed consolidated financial statements.

SENTI BIOSCIENCES, INC.

Condensed Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Equity (Deficit)
(unaudited)
(in thousands, except share data)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount				
Balance as of December 31, 2022	—	$ —	44,062,534	$ 4	$ 300,544	$ 1	$ (173,286)	$ 127,263
Vesting of early exercise of common stock options	—	—	12,660	—	34	—	—	34
Stock-based compensation expense	—	—		—	3,763	—	—	3,763
Unrealized gain (loss) on investments	—	—	—	—	—	2	—	2
Net loss	—	—	—	—	—	—	(18,722)	(18,722)
Balance as of March 31, 2023	—	—	44,075,194	4	304,341	3	(192,008)	112,340
Vesting of early exercise of common stock options	—	—	12,660	—	34	—	—	34
Issuance of common stock under Employee Stock Purchase Plan (ESPP)	—	—	377,152	—	308	—	—	308
Stock-based compensation expense	—	—	—	—	3,434	—	—	3,434
Unrealized gain (loss) on investments	—	—	—	—	—	(3)	—	(3)
Net loss	—	—	—	—	—	—	(18,697)	(18,697)
Balance as of June 30, 2023	—	—	44,465,006	4	308,117	—	(210,705)	97,416
Vesting of early exercise of common stock options	—	—	12,660	—	34	—	—	34
Stock-based compensation expense			—	—	409	—	—	409
Net loss	—	—	—	—	—	—	(14,923)	(14,923)
Balance as of September 30, 2023	—	$ —	44,477,666	$ 4	$ 308,560	$ —	$ (225,628)	$ 82,936

The accompanying notes are an integral part of these condensed consolidated financial statements.

SENTI BIOSCIENCES, INC.

Condensed Consolidated Statements of Cash Flows
(unaudited)
(in thousands)

	Nine Months Ended September 30,	
	2023	**2022**
Cash flows from operating activities		
Net loss	$ (52,342)	$ (40,000)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	2,569	948
Amortization of operating lease right-of-use assets	1,386	2,028
Accretion of discount on short-term investments	(1,069)	—
Gain on disposal of business	(21,862)	—
Gain on extinguishment of convertible notes	—	(1,289)
Change in fair value of contingent earnout liability	(207)	(8,779)
Change in fair value of GeneFab Note Receivable - related party	(287)	—
Change in fair value of GeneFab Economic Share - related party	123	—
Change in fair value of GeneFab Option - related party	(5,629)	—
Impairment of property and equipment	25,691	—
Stock-based compensation expense	7,606	12,176
Interest income accrued and not received	(21)	—
Issuance of common stock for Common Stock Purchase Agreement fee	—	196
Other non-cash charges	—	21
Changes in assets and liabilities:		
Accounts receivable	509	(363)
GeneFab receivable - related party	(2,602)	—
GeneFab prepaid expenses - related party	1,586	—
Prepaid expenses and other assets	(141)	(1,837)
Accounts payable	465	93
GeneFab sublease deferred income - related party	747	—
Accrued expenses and other current liabilities	(1,195)	1,488
Deferred revenue	(799)	(1,733)
Operating lease liabilities	114	11,161
Net cash from operating activities	(45,358)	(25,890)
Cash flows from investing activities		
Purchases of short-term investments	(17,990)	—
Maturities of short-term investments	60,000	—
Purchases of property and equipment	(12,034)	(32,841)
Net cash from investing activities	29,976	(32,841)
Cash flows from financing activities		
Proceeds from Merger and related PIPE financing, net of transaction costs	—	111,979
Proceeds from issuance of common stock upon exercise of stock options	—	521
Proceeds from issuance of common stock under Employee Stock Purchase Plan (ESPP)	308	—
Proceeds from issuance of convertible notes	—	5,175
Principal finance lease payments	(85)	—
Net cash from financing activities	223	117,675

	Nine Months Ended September 30,	
	2023	2022
Net decrease in cash and cash equivalents	(15,159)	58,944
Cash, cash equivalents, and restricted cash, beginning of period	60,987	59,291
Cash, cash equivalents, and restricted cash, end of period	$ 45,828	$ 118,235
Reconciliation of cash, cash equivalents and restricted cash		
Cash and cash equivalents	$ 39,430	$ 114,940
Restricted cash	6,398	3,295
Total cash, cash equivalents and restricted cash	$ 45,828	$ 118,235
Supplemental disclosures of noncash financing and investing items		
Purchases of property and equipment in accounts payable and accrued expenses	$ 3	$ 7,360

Refer to Note 3, *GeneFab Transaction* for details of non-cash items

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. Organization and Description of Business

Senti Biosciences, Inc. and its subsidiaries (the "Company" or "Senti"), is a biotechnology company that was founded to create a new generation of smarter medicines that outmaneuver complex diseases using novel and unprecedented approaches. Senti has built a synthetic biology platform that enables it to program next-generation cell and gene therapies with what the Company refers to as "gene circuits." These gene circuits, which are created from novel and proprietary combinations of DNA sequences, reprogram cells with biological logic to sense inputs, compute decisions and respond to their cellular environments. The Company is headquartered in South San Francisco, California.

On June 8, 2022 (the "Closing Date"), Dynamics Special Purpose Acquisition Corp. ("Dynamics" or "DYNS") consummated a merger pursuant to which Explore Merger Sub, Inc. ("Merger Sub"), a Delaware corporation and wholly owned subsidiary of Dynamics, merged with and into Senti Sub I, Inc., formerly named Senti Biosciences, Inc. ("Legacy Senti"), with Legacy Senti surviving as a wholly-owned subsidiary of Dynamics (such transactions, the "Merger," and, collectively with the other transactions described in the merger agreement (as defined below, the "Reverse Recapitalization")). As a result of the Merger, Dynamics was renamed Senti Biosciences, Inc.

On August 7, 2023, the Company completed a transaction with GeneFab, LLC ("GeneFab"), a new independent contract manufacturing and synthetic biology biofoundry focused on next-generation cell and gene therapies. As part of that transaction, the Company disposed of its non-oncology business and in-house manufacturing services and subleased its manufacturing facility to GeneFab.

Liquidity and Going Concern

These consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) assuming the Company will continue as a going concern. The going concern assumption contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The consolidated financial statements do not include any adjustments to the carrying amounts and classification of assets, liabilities, and reported expenses that may be necessary if the Company were unable to continue as a going concern.

The Company has devoted substantially all of its efforts to organizing and staffing, business planning, raising capital, and conducting preclinical studies and has not realized substantial revenues from its planned principal operations. To date, the Company has raised aggregate gross proceeds of $299.5 million from the Merger and PIPE Financing, the issuance of shares of its common stock, the issuance of shares of our redeemable convertible preferred stock, the issuance of convertible notes and, to a lesser extent, through collaboration agreements and government grants.

At September 30, 2023 and December 31, 2022, the Company had an accumulated deficit of $225.6 million and $173.3 million, respectively. The Company's net losses were $52.3 million and $40.0 million for the nine months ended September 30, 2023 and 2022, respectively. Substantially all of the Company's net losses resulted from costs incurred in connection with the Company's research and development programs and from general and administrative costs associated with the Company's operations including impairment of property and equipment. The Company expects to incur substantial operating losses and negative cash flows from operations for the foreseeable future as the Company advances its preclinical activities and clinical trials for its product candidates in development.

As of September 30, 2023 and December 31, 2022, the Company had cash, cash equivalents and short-term investments of $39.4 million and $98.6 million, respectively. As of November 13, 2023, the issuance date of the condensed consolidated financial statements as of and for the three and nine months ended September 30, 2023, there is uncertainty about whether the Company's combined cash, cash equivalents, and short-term investments will be sufficient to fund operations, including clinical trial expenses and capital expenditure requirements, beyond twelve months from the issuance date of these financial statements and therefore the Company concluded that substantial doubt existed about the Company's ability to continue as a going concern.

The transaction with GeneFab provided the Company with additional capital in the form of a note receivable

and rights to future manufacturing and research activities and reduced longer-term operating expenses. Refer to Note 3. *GeneFab Transaction*, for further details of the GeneFab transaction.

The Company's continued existence is dependent upon management's ability to raise capital and develop profitable operations. Management is devoting substantially all of its efforts to developing its business and raising capital, which included the framework agreement with GeneFab, and there can be no assurance that the Company's efforts will be successful. No assurance can be given that management's actions will result in profitable operations or the meeting of ongoing liquidity needs.

NASDAQ Bid Price Compliance Notice

On August 7, 2023, the Company received written notice from the Listing Qualifications Department of The Nasdaq Stock Market LLC notifying the Company that, for the last 30 consecutive trading days, the closing bid price of the Company's common stock had closed below the minimum bid price requirement of $1.00 per share for continued listing on The Nasdaq Global Market. The Company has been provided an initial compliance period of 180 calendar days, or until February 5, 2024, to regain compliance with the minimum bid price requirement.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP") and the rules and regulations of the Securities and Exchange Commission ("SEC"). Any reference in these notes to applicable guidance is meant to refer to the authoritative U.S. GAAP as found in the Accounting Standards Codification ("ASC") and as amended by Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB"). The condensed consolidated financial statements include the accounts of Senti Biosciences, Inc., and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. We have one business activity and operate in one reportable segment.

Unless otherwise noted, the Company has retroactively adjusted all common and preferred share and related price information to give effect to the exchange ratio established in the Merger Agreement.

The Company determined that the assets sold to GeneFab met the criteria for presentation as a discontinued operation. As a result, the Company has retrospectively restated its condensed consolidated balance sheet at December 31, 2022 and condensed consolidated statements of operations for the three and nine months ended September 30, 2022 to reflect the assets and liabilities and operating results, respectively, related to the disposed business in discontinued operations. The Company has chosen not to segregate the cash flows of the disposed business in the condensed consolidated statements of cash flows. Supplemental disclosures related to discontinued operations for the statements of cash flows have been provided in Note 3. *GeneFab Transaction*. Unless otherwise specified, the disclosures in these condensed consolidated financial statements refer to continuing operations only.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions reflected in these consolidated financial statements include, but are not limited to, the valuation of stock-based awards, the accrual for research and development expenses, the valuation of contingent earnout, the valuation of GeneFab Option, the valuation of GeneFab Economic Share, the valuation of the GeneFab Note Receivable, the valuation of convertible notes, the valuation of common and redeemable convertible preferred stock, standalone selling price ("SSP"), the discount rate used to discount future cash flows for the impairment of long-lived assets, and the determination of the incremental borrowing rate. The Company evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates.

Unaudited Interim Condensed Consolidated Financial Statements

The accompanying interim condensed consolidated financial statements and the related footnote disclosures are unaudited. These unaudited interim financial statements have been prepared on the same basis as the audited financial statements, and in management's opinion, include all adjustments, consisting of only normal recurring adjustments, necessary for the fair statement of the Company's financial position as of September 30, 2023 and its results of operations for the three and nine months ended September 30, 2023 and 2022, and cash flows for the nine months ended September 30, 2023 and 2022. The results of operations for the three and nine months ended September 30, 2023 are not necessarily indicative of the results to be expected for the year ending December 31, 2023 or any other period. The December 31, 2022 year-end condensed consolidated balance sheet was derived from audited annual financial statements but does not include all disclosures from the annual financial statements.

Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2022 and the related notes included in the Company's Form 10-K, filed with the SEC on March 22, 2023, which provides a more complete discussion of the Company's accounting policies and certain other information. Other than the policies included below, there have been no material changes to the Company's significant accounting policies as of and for the three and nine months ended September 30, 2023, as compared to the significant accounting policies described in the Company's audited annual consolidated financial statements as of and for the year ended December 31, 2022.

Fair Value Option

The Company elected to account for the deferred consideration (GeneFab Note Receivable) and contingent consideration receivable (GeneFab Economic Share) from the GeneFab transaction under the fair value option in ASC 825, *Financial Instruments*. Accordingly, these instruments were recognized at their fair value at the closing of the transaction and are subsequently remeasured each reporting period with changes in fair value recorded in other income (expense) in the condensed consolidated statements of operations and comprehensive loss until settlement. The fair value of the GeneFab Note Receivable was determined by discounting future payments under multiple probability-weighted scenarios using the Company's cost of borrowing. The fair value of the GeneFab Option was determined using an option pricing method. Refer to Note 3. *GeneFab Transaction*, for further details of the GeneFab transaction.

GeneFab Option

The option granted to GeneFab as part of the GeneFab transaction meets the definition of a derivative under ASC 815, *Derivatives and Hedging*, and does not meet the criteria for equity classification. The derivative liability is recorded at its fair value on issuance and subsequently remeasured each reporting period with changes in fair value recorded in other income (expense) in the condensed consolidated statements of operations and comprehensive loss until settlement. The fair value of the derivative liability was determined using a Black-Scholes option pricing model.

Recent Accounting Standards

The Company believes that the impact of recently issued accounting standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

3. GeneFab Transaction

On August 7, 2023, the Company entered into a framework agreement with GeneFab and Valere Bio, Inc., a Delaware corporation and the parent company of GeneFab, which is wholly owned by Celadon Partners, LLC, pursuant to which the Company, subject to the terms and conditions therein, sold, assigned and transferred its rights, title and interest in certain of the assets and contractual rights, including all of the Company's equipment at the Company's facilities in Alameda and certain of the Company's non-oncology license, intellectual property related to the schematics for and design of the Alameda facility, and subleased to GeneFab its premises under the lease for the Alameda facility. The transaction will provide the Company with additional capital in the form of a note receivable and rights to future manufacturing and research activities and reduced longer term operating expenses.

Concurrently with the transaction, the Company and GeneFab entered into a development and manufacturing services agreement (the “services agreement”), pursuant to which GeneFab will provide certain services to the Company using the subleased Alameda facility and acquired equipment. As part of this transaction, the Company entered into a transition services agreement with GeneFab whereby certain services are to be provided by each party to the other party during a transition period beginning on the closing of the transaction.

Under the terms of the transaction, the Company is entitled to receive total consideration of $37.8 million before the end of 2025, of which $18.9 million was payable at closing and was netted against prepayment due to GeneFab for future manufacturing and research activities. The remaining $18.9 million will be paid to the Company in installments in 2024 and 2025 (the “Note Receivable”), subject to satisfaction of certain conditions. The Company elected to account for the Note Receivable under the fair value option and recorded the Note Receivable at its fair value of $16.6 million at the closing date of the transaction. The Note Receivable will be remeasured each reporting period with changes from remeasurement included in other income (expense) in the condensed consolidated statements of operations and comprehensive loss. Refer to Note 4. *Fair Value Measurement*.

The Company is entitled to $18.9 million in future manufacturing and research activities to be rendered under the services agreement, which are recorded in GeneFab prepaid expenses on the condensed consolidated balance sheet. The Company determined that the $18.9 million for future manufacturing and research activities, inclusive of the volume discount provided, was executed at market terms and does not result in any impact to the total consideration received from GeneFab for the disposal of the business.

As part of the transaction, the Company subleased the facility in Alameda, California to GeneFab which will support the clinical manufacturing of the Company’s chimeric antigen receptor natural killer (CAR-NK) programs, including SENTI-202. Refer to Note 6. *Operating Leases* for additional information on the sublease.

The Company agreed to grant a license to GeneFab under certain of its intellectual property rights to conduct manufacturing services and to research, develop, manufacture and commercialize products outside of oncology, pursuant to a license agreement under negotiation (the “non-oncology license”).

In connection with the transaction, Philip Lee, Ph.D., former Co-Founder and Chief Technology Officer of the Company, assumed the role of Chief Executive Officer of GeneFab. Additionally, GeneFab extended offers of employment to 45 of the Company's employees formerly employed in its research and development and manufacturing functions. All 45 employees accepted the offers of employment and are actively engaged in providing manufacturing and research activities to the Company.

GeneFab was granted an option to purchase up to 19,633,444 shares (i.e. up to $20.0 million worth) of the Company’s common stock at a purchase price of $1.01867 (the “GeneFab Option”). The GeneFab Option is exercisable for a period of 36 months following the execution of the license agreement. The GeneFab Option may be exercised in installments of common stock equal to no more than 19.9% of the Company’s outstanding shares of common stock as of the closing date of the transaction. The purchase of the remaining shares under the GeneFab Option require stockholder approval. The Company determined that the GeneFab Option was a derivative as the terms of the instrument contain certain provisions that preclude equity classification in accordance with ASC 815-40, *Derivatives and Hedging—Contracts in Entity’s Own Equity*. As such, the GeneFab Option was recorded as a liability at its fair value of $9.6 million at the closing date of the transaction and subsequently remeasured with changes in fair value recorded in other income (expense) in the condensed consolidated statements of operations and comprehensive loss. Refer to Note 4. *Fair Value Measurement*.

As additional consideration for the transaction, the Company and GeneFab entered into a seller economic share agreement (the “GeneFab Economic Share”), pursuant to which the Company will be entitled to receive ten percent of the realized gains of GeneFab’s parent company arising and resulting from any cash or in-kind distributions from GeneFab in connection with a dividend or sale event, subject to the terms and conditions of the GeneFab Economic Share. The Company elected to account for the GeneFab Economic Share under the fair value option and recorded the GeneFab Economic Share at its fair value of $1.8 million at the date of the transaction. The GeneFab Economic Share will be remeasured each reporting period with changes from remeasurement included in other income (expense) in the condensed consolidated statements of operations and comprehensive loss. Refer to Note 4. *Fair Value Measurement*.

Gain on the Disposal of Business

As the assets and contractual rights transferred to GeneFab were determined to constitute a business as defined in ASC 805, *Business Combinations*, the Company accounted for the disposal by applying the derecognition guidance in ASC 810, *Consolidation*, which requires that a gain or loss be recognized for the difference between the carrying value of the assets sold and the fair value of the consideration received (or receivable).

The total fair value of the consideration was determined to be $37.3 million, including the GeneFab prepaid expenses of $18.9 million, the estimated fair value of the Note Receivable of $16.6 million and the estimated fair value of the GeneFab Economic Share of $1.8 million. Out of the total consideration, $9.6 million was allocated to the GeneFab Option, representing its estimated fair value as of the closing date.

In connection with the sale, the Company recognized a gain on disposal in the amount of $21.9 million in net income from discontinued operations during the three and nine months ended September 30, 2023, representing the excess of the fair value of the consideration (net of the portion allocated to the GeneFab Option) over the carrying value of the assets sold of $5.5 million. The gain on disposal was primarily related to the transfer of the non-oncology intellectual property to GeneFab which had no carrying value.

Discontinued Operations

In accordance with ASC 205, *Presentation of Financial Statements* (“ASC 205”), the Company determined that the sale of the non-oncology business, including the equipment and transfer of in-house manufacturing activities in the Alameda facility, to GeneFab represented a strategic shift that will have a major effect on the Company’s operations and financial results, thus meeting the criteria to be reported as discontinued operations. Discontinued operations include the cost and depreciation of equipment and related deposits or liabilities, manufacturing personnel-related costs including costs arising as a result of the disposal such as equity award modifications and severance, and the

gain from the disposal of the business. Refer to Note 9, *Stock-Based Compensation*, for further details of the award modifications.

The following table summarizes the major classes of assets and liabilities of the discontinued operations (in thousands):

	September 30, 2023	December 31, 2022
Prepaid expenses and other current assets	$ —	$ 209
Total current assets of discontinued operations	$ —	$ 209
Property and equipment, net	$ —	$ 4,775
Other long-term assets	—	10
Total non-current assets of discontinued operations	$ —	$ 4,785
	—	—
Accounts payable	$ —	$ 897
Accrued expenses and other current liabilities	216	288
Total current liabilities of discontinued operations	$ 216	$ 1,185

The following table summarizes the condensed operating results of the discontinued operations (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating expenses:				
Research and development	$ 1,641	$ 1,537	$ 9,975	$ 3,796
General and administrative	(1,478)	800	(496)	1,527
Total operating expenses	163	2,337	9,479	5,323
Loss from discontinued operations	(163)	(2,337)	(9,479)	(5,323)
Other income (expense)	(6)	—	(6)	—
Gain on disposal of business	21,861	—	21,861	—
Net income (loss) from discontinued operations	$ 21,692	$ (2,337)	$ 12,376	$ (5,323)

General and administrative expenses were negative for the three and nine months ended September 30, 2023 due to the reversal of compensation expense for unvested awards that were cancelled due to the termination of employees subsequently hired by GeneFab. See Note 9. *Stock-Based Compensation.*

The following table summarizes the condensed cash flow information of the discontinued operations (in thousands):

	Nine Months Ended September 30,	
	2023	2022
Operating activities (noncash adjustments to net income):		
Depreciation	$ 185	$ 3
Stock-based compensation	(2,022)	586
Gain on disposal of business	(21,861)	—
Investing activities:		
Purchases of property and equipment	(4,079)	(549)
Supplemental disclosures of noncash investing items:		
Purchases of property and equipment in accounts payable and accrued expenses	—	308

4. Fair Value Measurements

The following tables summarize the estimated value of cash equivalents and restricted cash (in thousands):

	September 30, 2023						
	Adjusted Cost	Unrealized Gain	Unrealized Loss	Estimated Fair Value	Cash and cash equivalents	Restricted cash	Short-term investments
Cash	$ 5,230	$ —	$ —	$ 5,230	$ 5,230	$ —	$ —
Level 1:							
Money market funds	40,598	—	—	40,598	34,200	6,398	—
Subtotal	40,598	—	—	40,598	34,200	6,398	—
Total	$ 45,828	$ —	$ —	$ 45,828	$ 39,430	$ 6,398	$ —

	December 31, 2022						
	Adjusted Cost	Unrealized Gain	Unrealized Loss	Estimated Fair Value	Cash and cash equivalents	Restricted cash	Short-term investments
Level 1:							
Money market funds	$ 45,412	$ —	$ —	$ 45,412	$ 42,046	$ 3,366	$ —
Subtotal	45,412	—	—	45,412	42,046	3,366	—
Level 2:							
U.S. Treasury securities	14,866	4	(3)	14,867	—	—	14,867
U.S. agency securities	5,938	—	—	5,938	3,983	—	1,955
Commercial Paper	28,122	—	—	28,122	5,994	—	22,128
Corporate debt securities	7,590	1	(1)	7,590	5,598	—	1,992
Subtotal	56,516	5	(4)	56,517	15,575	—	40,942
Total	$ 101,928	$ 5	$ (4)	$ 101,929	$ 57,621	$ 3,366	$ 40,942

No securities have contractual maturities of longer than one year. There were no transfers between Levels 1, 2, or 3 for any of the periods presented.

Contingent Earnout Liability

The following table presents a summary of the changes in the fair value of the Contingent Earnout Liability (in thousands):

	Contingent Earnout Liability
Fair value as of December 31, 2022	$ (227)
Change in fair value included in other income (expense)	207
Fair value as of September 30, 2023	$ (20)

The fair value of the Contingent Earnout Liability is based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy.

In determining the fair value of the Contingent Earnout Liability, the Company used a Monte Carlo simulation value model using a distribution of potential outcomes. The assumptions utilized in the calculation were based on the achievement of certain stock price milestones, including the current Company common stock price, expected volatility, risk-free rate, expected term and expected dividend yield. Refer to Note 7. *Stockholders' Equity (Deficit)*, for further details of the Contingent Earnout Liability.

GeneFab Note Receivable

The following table presents a summary of the changes in the fair value of the GeneFab Note Receivable (in thousands):

	Note Receivable
Initial recognition as of August 7, 2023	$ 16,614
Change in fair value included in other income (expense)	287
Fair value as of September 30, 2023	$ 16,901

The fair value of the GeneFab Note Receivable is based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy. The GeneFab Note Receivable is presented within GeneFab receivable on the condensed consolidated balance sheet.

The Company has elected to account for the GeneFab Note Receivable under the fair value option in ASC 825, *Financial Instruments* with changes in fair value reported as a component of other income (expense) in the consolidated statements of operations and comprehensive loss. The fair value of the GeneFab Note Receivable was determined by discounting future payments under multiple probability-weighted scenarios using the Company's cost of borrowing, which was estimated at 13.72% as of the initial recognition date, to 13.97% as of September 30, 2023 based on published CCC-rated corporate bond yields.

GeneFab Option

The following table presents a summary of the changes in the fair value of the GeneFab Option (in thousands):

	GeneFab Option
Initial recognition as of August 7, 2023	$ (9,649)
Change in fair value included in other income (expense)	5,629
Fair value as of September 30, 2023	$ (4,020)

The fair value of the GeneFab Option is based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy.

In determining the fair value of the GeneFab Option, the Company used a Black-Scholes option pricing model.

The significant assumptions utilized in the valuation are described below:

	September 30, 2023	August 7 2023
Current stock price	$ 0.41	$ 0.90
Expected volatility	105.7 %	86.0 %
Risk-free interest rate	4.80 %	4.44 %
Expected term (years)	3	3

GeneFab Economic Share

The following table presents a summary of the changes in the fair value of the GeneFab Economic Share (in thousands):

	GeneFab Economic Share
Initial recognition as of August 7, 2023	$ 1,800
Change in fair value included in other income (expense)	(123)
Fair value as of September 30, 2023	$ 1,677

The fair value of the GeneFab Economic Share is based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy.

The Company has elected to account for the GeneFab Economic Share under the fair value option in ASC 825, *Financial Instruments* with changes in fair value reported as a component of other income (expense) in the consolidated statements of operations and comprehensive loss. In determining the fair value of the GeneFab Economic Share, the Company used the option pricing method, which allocates total estimated enterprise value to various classes of equity using the Backsolve method.

The significant assumptions utilized in the valuation are described below:

	September 30, 2023	August 7 2023
GeneFab equity value	$ 35,448	$ 37,314
Volatility	54 %	54 %
Risk free rate	4.65 %	4.23 %
Expected term	4.5	4.5

5. Other Financial Statement information

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	September 30, 2023	December 31, 2022
Prepaid expenses (including prepaid rent)	2,503	1,871
Deposits	652	1,209
Other	488	101
Total prepaid expenses and other current assets	$ 3,643	$ 3,181

Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	September 30, 2023	December 31, 2022
Leasehold improvements	$ 22,648	$ 1,869
Lab equipment	8,343	7,855
Furniture and fixtures	326	326
Computer equipment and software	362	374
Construction in progress	—	43,892
Property and equipment at cost	31,679	54,316
Less: accumulated depreciation	(5,246)	(2,955)
Property and equipment, net	$ 26,433	$ 51,361

Buildout of the current good manufacturing practice (cGMP) facility in Alameda was completed in June 2023 and the assets were placed in service.

As a result of the change in the manner in which the Company expects to recover the assets associated with the lease on the Alameda facility (refer to Note 3. GeneFab Transaction), the ROU asset and the related leasehold improvements became a separate asset group for the purposes of long-lived asset impairment assessment as of August 7, 2023. This asset group reassessment triggered a need to perform an impairment analysis. The Company concluded that the asset group was not recoverable, as the carrying value of the asset group was less than the sum of undiscounted net cash flows expected to be generated from the use of the asset group.

The Company tested the asset group for impairment and recognized an impairment loss in the amount of $25.7 million during the three and nine months ended September 30, 2023, representing the difference between the carrying value of the asset group of $54.6 million and its estimated fair value of $28.9 million, determined based on the discounted cash flows expected to be generated from the use of the asset group through the sublease. Further, the Company determined that the individual fair value of the ROU asset within the asset group exceeded its carrying value as of the impairment testing date. Accordingly, the Company allocated the entire impairment loss to the leasehold improvements associated with the Alameda lease. The adjusted carrying value of the leasehold improvements of $20.1 million will be amortized under the existing accounting policy under ASC 842, *Leases* on a straight-line basis over the remaining lease term.

Depreciation totaled $1.3 million and $0.4 million for the three months ended September 30, 2023 and 2022, respectively, and $2.4 million and $0.9 million for the nine months ended September 30, 2023 and 2022, respectively.

Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities consisted of the following (in thousands):

	September 30, 2023	December 31, 2022
Accrued employee-related expenses	$ 2,596	$ 3,496
Accrued professional and service fees related to facility construction	—	7,342
Accrued professional and service fees other	1,425	1,709
Other accrued expenses	22	29
Total accrued expenses and other current liabilities	$ 4,043	$ 12,576

6. Operating Leases

Lessee Accounting

The Company's operating leases are primarily for its corporate headquarters located in South San Francisco, California ("HQ lease") and for additional office and laboratory space located in Alameda, California ("Alameda lease"). The corporate headquarters lease has an initial term of eight years expiring in 2027, with an option to renew for an additional eight years unless canceled by either party thereafter. The Alameda lease has an initial term of eleven years expiring in 2032, with an option to renew the lease for up to two additional terms of five years. The exercise of these renewal options is not recognized as part of the ROU assets and lease liabilities, as the Company did not conclude, at the commencement date of the leases, that the exercise of renewal options or termination options was reasonably certain. The Alameda lease provides for a tenant improvement allowance of up to $17.5 million for the costs relating to the design, permitting and construction of the improvements, to be disbursed by the landlord no later than December 31, 2023. The Company was deemed to be the accounting owner of the tenant improvements primarily because the Company is the principal in the construction and design of the assets, is responsible for costs overruns and retains substantially all economic benefits from the leasehold improvements over their economic lives**.** Accordingly, the tenant improvement allowance was considered an incentive and was deducted from the initial measurement of the ROU asset and lease liability. The Company estimated the timing of tenant improvement reimbursements at the lease commencement date and upon receipt of the cash incentives, the Company recognized the cash received as an increase in the lease liability.

A summary of total lease costs and other information for the period relating to the Company's operating leases is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating lease cost	$ 1,323	$ 1,326	$ 3,952	$ 3,976
Short-term lease cost	8	20	64	50
Variable lease cost	272	184	894	537
Total lease cost	$ 1,603	$ 1,530	$ 4,910	$ 4,563

	Nine Months Ended September 30,	
	2023	2022
Other information:		
Operating cash flows net inflows and (outflows) from operating lease	$ (2,449)	$ 9,225
ROU assets obtained in exchange for operating lease obligations (including remeasurement of ROU and lease liabilities due to changes in the timing of receipt of lease incentives)	$ 13	$ 202
Weighted-average remaining lease term	7.6 years	8.2 years
Weighted-average discount rate	9.2%	9.1%

For the three months ended September 30, 2023 and 2022, the Company received no cash and $3.2 million, respectively, of $17.5 million tenant improvement allowance. For the nine months ended September 30, 2023 and 2022, the Company received $2.0 million and $11.3 million, respectively, of the $17.5 million tenant improvement allowance. Through September 30, 2023, the Company received $16.2 million of the tenant improvement allowance inception-to-date.

As of September 30, 2023 and 2022, amounts disclosed for ROU assets obtained in exchange for lease obligations include amounts added to the carrying amount of ROU assets resulting from lease modifications and reassessments.

Maturities of the Company's lease liabilities as of September 30, 2023, were as follows (in thousands):

2023, for the remainder of the year	$ 1,786
2024	7,254
2025	7,478
2026	7,712
2027	5,769
Thereafter	24,384
Total undiscounted lease payments	54,383
Less imputed interest	(15,880)
Tenant improvement allowance remaining	(1,311)
Total lease liabilities	$ 37,192

Lessor Accounting

In connection with the GeneFab transaction, on August 7, 2023, the Company entered into a sublease with GeneFab to sublease the facility included in the Alameda lease, expiring in August 2032. Total sublease income to be earned from this operating lease, in aggregate, will be approximately $44.1 million over the remaining term of the sublease agreement. Sublease income was $0.8 million for the three and nine months ended September 30, 2023. Variable sublease income was $0.1 million for the three and nine months ended September 30, 2023. The Company records sublease income in other income (expense) in the condensed consolidated statement

Maturities of the Company's sublease payments from GeneFab as of September 30, 2023, were as follows (in thousands):

2023, for the remainder of the year	$	1,065
2024		4,345
2025		4,476
2026		4,610
2027		4,748
Thereafter		23,186
Total undiscounted sublease payments	$	42,430

7. Stockholders' Equity

Common Stock

Holders of common stock are entitled to one vote per share, and to receive dividends and, upon liquidation or dissolution, are entitled to receive all assets available for distribution to stockholders. The holders have no preemptive or other subscription rights, and there are no redemption or sinking fund provisions with respect to such shares. Common stock is subordinate to the preferred stock with respect to dividend rights and rights upon liquidation, winding up, and dissolution of the Company; although, no preferred stock is outstanding as of September 30, 2023 and December 31, 2022. Through September 30, 2023, no cash dividends have been declared or paid.

At September 30, 2023 and December 31, 2022, the Company was authorized to issue 500,000,000 shares of common stock, all at a par value of $0.0001 per share, and had reserved the following shares for future issuance:

	September 30, 2023	December 31, 2022
Common Stock Purchase Agreement	8,327,049	8,327,049
Common stock options issued and outstanding	11,916,927	9,875,675
Restricted Stock Units (RSUs) issued and outstanding	252,720	447,948
Common stock shares available for future issuance under equity plans	3,310,849	2,948,472
Common stock shares available for future issuance under the 2022 Employee Stock Purchase Plan (the "ESPP")	546,155	481,627
Contingent earnout common stock	2,000,000	2,000,000
GeneFab Option	19,633,444	—
Unvested early exercised common stock	67,520	105,500
Total	46,054,664	24,186,271

Preferred Stock

In connection with the close of the Merger, the Company's Amended and Restated Certificate of Incorporation provides the Company's board of directors with the authority to issue $0.0001 par value preferred stock in one or more series and to establish from time to time the number of shares to be included in each such series, by adopting a resolution and filing a certification of designations. Voting powers, designations, powers, preferences and relative, participating, optional, special and other rights shall be stated and expressed in such resolutions. There were 10,000,000 shares designated as preferred stock and none were outstanding as of September 30, 2023 and December 31, 2022.

Common Stock Purchase Agreement

On August 31, 2022, the Company entered into a Common Stock Purchase Agreement and a Registration Rights Agreement (collectively referred to as the "Purchase Agreement") with Chardan Capital Markets LLC ("Chardan"). Pursuant to the Purchase Agreement, the Company has the right, in its sole discretion, to sell to Chardan up to the lesser of (i) $50.0 million of newly issued shares of the Company's common stock, and (ii) the

Exchange Cap (as defined below) (subject to certain conditions and limitations), from time to time during the 36-month term of the Purchase Agreement. Under the applicable NASDAQ rules, the Company may not issue to Chardan under the Purchase Agreement more than 8,727,049 shares of common stock, which number of shares is equal to 19.99% of the common shares outstanding immediately prior to the execution of the Purchase Agreement unless certain exceptions are met (the "Exchange Cap"). The purchase price of the shares of common stock will be determined by reference to the Volume Weighted Average Price ("VWAP") of the common stock during the applicable purchase date, less a fixed 3% discount to such VWAP. However, the total shares to be purchased on any day may not exceed 20% of the trading volume, and the total purchase price on any day may not exceed $3.0 million. As consideration for Chardan's commitment to purchase shares of common stock at the Company's direction upon the terms and subject to the conditions set forth in the Purchase Agreement, upon execution of the Purchase Agreement, the Company issued 100,000 shares of its common stock to Chardan and paid a $0.4 million document preparation fee. Upon execution of the Purchase Agreement, the Company recognized an expense of $0.7 million within general and administrative expenses in the Company's Condensed Consolidated Statements of Operations and Comprehensive Loss for the Chardan related costs and legal fees incurred in connection with the agreement.

Other than the issuance of the commitment shares of the Company's common stock to Chardan, the Company issued 300,000 common stock shares up until December 31, 2022 aggregating to net proceeds of $0.7 million, under the Purchase Agreement. There were no shares issued within nine months ended September 30, 2023.

Contingent Earnout Equity

Following the closing of the Merger, former holders of Legacy Senti common stock and preferred stock may receive up to 2,000,000 additional shares of the Company's common stock in the aggregate, in two equal tranches of 1,000,000 shares of common stock per tranche. The first and second tranches are issuable if the closing volume weighted average price ("VWAP") per share of common stock quoted on the Nasdaq (or the exchange on which the shares of common stock are then listed) is greater or equal to $15.00 and $20.00, respectively over any twenty trading days within any thirty-day trading period. The first and second tranche term is two and three years, respectively, from the closing of the Merger. If there is a change of control within the three-year period following the closing of the Merger that results in a per share price equal to or in excess of the $15.00 and $20.00 share price milestones not previously met, then Company shall issue the earnout shares to the holders of Legacy Senti common stock and preferred stock.

The estimated fair value of the total Contingent Earnout Shares at the Closing on June 8, 2022, was $9.8 million based on a Monte Carlo simulation valuation model. Of this amount, $9.7 million was accounted for as a Contingent Earnout Liability because the triggering events that determine the number of Contingent Earnout Shares required to be issued include events that are not solely indexed to the common stock of the Company. The remaining balance of $0.1 million relates to holders of Legacy Senti common stock that are subject to repurchase were accounted for as stock-based compensation expense and recorded as an expense, as there was no remaining service period.

The Contingent Earnout Liability was remeasured to fair value as of September 30, 2023, resulting in no change for the three months ended September 30, 2023, and a non-cash gain of $0.2 million for the nine months ended September 30, 2023, classified within change in fair value of contingent earnout liability in the condensed consolidated statements of operations and comprehensive loss.

Assumptions used in the valuation are described below:

	September 30, 2023	December 31, 2022
Current stock price	$ 0.63	$ 1.41
Expected share price volatility	83.0%	85.0%
Risk-free interest rate	3.5%	4.3%
Estimated dividend yield	0.0%	0.0%
Expected term (years)	5.9	2.4

8. Revenue

The Company's revenue consists of amounts received related to research services provided to customers.

Contract Revenue

In April 2021, the Company entered into a research collaboration and license agreement with Spark Therapeutics, Inc. ("Spark"). Under the agreement, the Company will be responsible for a research program, which includes designing, building and testing five cell type specific-synthetic promoters for use in developing certain gene therapies using the Company's proprietary technology. The Company received an upfront payment from Spark of $3.0 million and Spark is obligated to reimburse the Company for costs and expenses incurred for the research program. The Company expected to complete the research program over a two-year period.

The Company assessed this agreement in accordance with ASC 606, *Revenue Recognition* ("ASC 606") and concluded that the contract counterparty, Spark, is a customer. The Company identified only one combined performance obligation in the agreement, which is to perform research services, the related joint research plan and committees for the five specified promoters. The Company determined that the research activities for each of the five promoters are not distinct given there is one single research plan that is performed by the same research team and research results for one promoter may provide insights for other promoters.

Pursuant to the agreement, once the research program is completed and the Company delivers a data package to Spark, Spark has 24 months (the "Evaluation Period") to determine whether Spark will exercise its options to obtain field-limited, royalty-bearing licenses to develop, manufacture and commercialize promoters corresponding to each of the five specified promoters being researched. For each licensed promoter option that is exercised, the Company is eligible to receive a license fee, potential research, development and commercial milestone payments and royalties on product sales. Spark may generally terminate the agreement upon 90 days prior written notice or 180 days prior written notice if the licensed promoter is in clinical trials or is being commercialized at the time of termination.

The Company evaluated Spark's optional rights to license, develop, manufacture and commercialize each of the promoter profiles to determine whether they provide Spark with any material rights to purchase the promoter licenses at an incremental discount. The Company's proprietary technology used to develop the promoters is in the early stages of development, so technological feasibility and probability of developing a product is highly uncertain. As a result, determining the SSP for the optional rights is subject to significant judgment. Given the subjectivity associated with determining the SSP for the right to a future license related to unproven technology at contract inception, the Company also evaluated whether the contract consideration associated with the research services represents the SSP for those services. The Company determined the transaction price, inclusive of the upfront payment and reimbursement of costs and expenses incurred for the research program, is commensurate with SSP for the research being conducted given the specialized nature and reliance on proprietary technology. Based on the Company's assessment of the optional consideration and the qualitative factors of feasibility and probability of development combined with the quantitative assessment that research services are priced at their SSP, the Company concluded that the license option does not provide Spark with an incremental discount and therefore does not constitute a material right. The transaction price associated with the research services in this agreement consists of the fixed upfront amount of $3.0 million and variable consideration.

For Spark collaboration agreement, the Company will recognize the transaction price as research and development services are provided, using a cost-based input method to measure the progress toward completion of its performance obligation and to calculate the corresponding amount of revenue to recognize each period. The Company believes that the cost-based input method is the best measure of progress because other measurements would not reflect how the Company transfers the control related to the performance obligation to our customers.

In December 2022, the Company amended the research collaboration and license agreement with Spark to allow for an increase in budget and a two-month extension of the research program. As there were no changes to performance obligations and the services to be provided are not distinct from those already transferred, the transaction was accounted for as a contract modification and a cumulative catch-up of $(0.7) million was recognized in December 2022.

In May 2023, the Company amended the research collaboration and license agreement with Spark to allow for an increase in budget and additional two-month extension of the research program. As there were no changes to

performance obligations and the services to be provided are not distinct from those already transferred, the transaction was accounted for as a contract modification with no cumulative catch-up necessary.

In July 2023, the Company completed the research collaboration with Spark and the remaining upfront payment was recognized.

As of September 30, 2023 and December 31, 2022, there was a total of zero and $0.8 million, respectively, remaining of the upfront payment to be recognized over the remaining period of the research program.

For the three months ended September 30, 2023 and 2022, the Company recorded revenue, which was previously included in deferred revenue at the beginning of each period, of $0.2 million and $0.7 million, respectively. For the nine months ended September 30, 2023 and 2022, the Company recorded revenue, which was previously included in the deferred revenue at the beginning of each period, of $0.8 million and $1.7 million, respectively. Contract asset balances related to unbilled revenue for our collaboration agreements were zero as of September 30, 2023 and 2022, and are presented within prepaid expenses and other current assets on the condensed consolidated balance sheets.

Grant Income

In 2021, the Small Business Innovation Research (“SBIR”) awarded the Company a grant in the amount of $2.0 million over two years subject to meeting certain terms and conditions. The purpose of the grant is to support the further development of SENTI-202 for acute myeloid leukemia towards clinical development.

Grant income was recognized when qualified research and development costs were incurred and the Company obtained reasonable assurance that the terms and conditions of the grant were met.

In August 2023, the Company completed the research and development project which was the subject of the SBIR grant.

Entity-wide information

During the three months ended September 30, 2023, Customers A and B accounted for 75% and 25%, respectively, of revenue. During the three months ended September 30, 2022, Customers A and B accounted for 86% and 14%, respectively, of revenue. During the nine months ended September 30, 2023, Customers A and B accounted for 77% and 23%, respectively, of revenue. During the nine months ended September 30, 2022, Customers A and B accounted for 82% and 18%, respectively, of revenue.

All revenues were generated in the United States for the three and nine months ended September 30, 2023 and 2022.

9. Stock-Based Compensation

2016 Stock Incentive Plan (as Amended and Restated)

The Company’s 2016 Stock Incentive Plan (the “2016 Plan”) provides for the grant of incentive stock options, non-qualified stock options and restricted stock awards to employees, directors, and consultants of the Company.

Stock options granted under the 2016 Plan generally vest over four years and expire no later than ten years after the grant date.

Following the Merger, the 2016 Plan was terminated. No additional stock awards will be granted under the 2016 Plan. All awards previously granted and outstanding as of the effective date of the Merger, were adjusted to reflect the impact of the Merger, but otherwise remain in effect pursuant to their original terms. The shares underlying any award granted under the 2016 Plan that are forfeited back to or repurchased or reacquired by the Company, will revert to and again become available for issuance under the 2022 Plan.

2022 Stock Incentive Plan

On June 8, 2022, upon the Merger, the Company adopted a 2022 Stock Incentive Plan (the “2022 Plan”). The 2022 Plan provides for the grant of incentive stock options to employees, and for the grant of non-statutory stock

options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance awards and other forms of awards to employees, directors and consultants.

The exercise price of an option granted under the 2022 Plan shall not be less than the fair market value of a common stock share on the date of grant. With respect to a 10% stockholder, the exercise price of an option granted shall not be less than 110% of the fair value of the common stock share on the date of grant.

Stock options granted under the 2022 Plan generally vest over four years and expire no later than ten years after the grant date.

The Company initially reserved 2,492,735 shares of common stock for issuance under the 2022 Plan. On the first day of each year commencing January 1, 2023, the 2022 Plan will automatically increase by 5% of the outstanding number of shares of common stock of the Company on the last day of the preceding calendar year or such lesser number of shares as approved by the Company's Board of Directors prior to the effective date of the annual increase. In addition, the shares underlying any award granted under the 2016 Plan that are forfeited back to or repurchased or reacquired by the Company, will revert to and again become available for issuance under the 2022 Plan.

As of September 30, 2023, the total number of shares of common stock available for issuance under the 2022 Plan is 2,134,033.

2022 Inducement Equity Plan

On August 5, 2022, the Company adopted a 2022 Inducement Equity Plan (the "2022 Inducement Plan"). The 2022 Plan provides for the grant of non-statutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance awards and other forms of awards to persons not previously an employee of the Company and its affiliates.

The exercise price of an option granted under the 2022 Inducement Plan shall not be less than the fair market value of a common stock share on the date of grant.

Stock options granted under the 2022 Inducement Plan generally vest over four years and expire no later than ten years after the grant date.

The Company initially reserved 2,000,000 shares of common stock for issuance under the 2022 Inducement Plan.

As of September 30, 2023, the total number of shares of common stock available for issuance under the 2022 Inducement Plan is 1,176,816.

2022 Employee Stock Purchase Plan

On June 8, 2022, upon the Merger, the Company adopted a 2022 Employee Stock Purchase Plan (the "ESPP"). The ESPP allows eligible employees to purchase shares of the Company's common stock at a price equal to 85% of the lower of the fair market values of the stock on the first day of an offering or on the date of purchase. The Company's ESPP operates with rolling offering periods, which are generally 24 months.

The Company initially reserved 592,584 shares of common stock for issuance under the ESPP. On the first day of each year commencing January 1, 2023, the 2022 Plan will automatically increase by 1% of the outstanding number of shares of common stock of the Company on the last day of the preceding calendar year or such lesser number of shares as approved by the Company's Board of Directors prior to the effective date of the annual increase.

As of September 30, 2023, the total number of shares of common stock available for issuance under the ESPP is 546,155.

Stock options

The following table summarizes the Company's stock option activity and related information under all equity plans, excluding performance and market awards:

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2022	4,191,426	$ 3.18	9.1	$ 6
Granted	2,850,196	$ 1.62		
Forfeited	(542,863)	$ 3.60		
Outstanding at September 30, 2023	6,498,759	$ 2.46	8.1	$ —
Vested and exercisable at September 30, 2023	1,853,574	$ 3.13	7.6	$ —

The weighted-average grant date fair values of stock options granted during the nine months ended September 30, 2023 and 2022 were $1.17 and $1.27, respectively. The aggregate intrinsic values of stock options exercised during the nine months ended September 30, 2023 and 2022 were none and $2.4 million, respectively.

As of September 30, 2023, the unrecognized stock-based compensation expense related to stock options was approximately $6.5 million, expected to be recognized over a weighted-average period of 2.4 years.

Early Exercise of Stock Options into Restricted Stock

For the nine months ended September 30, 2023 and 2022, the Company issued zero shares of common stock upon exercise of unvested stock options. As of September 30, 2023 and December 31, 2022, 67,520 and 105,500 shares were held by employees subject to repurchase at an aggregate price of $0.2 million and $0.3 million, respectively.

Performance Awards

In connection with the Merger, on December 19, 2021, Legacy Senti approved 8,400,892 performance award options to existing employees that vest contingent upon the satisfaction of both a four-year service condition and a performance condition tied to the consummation of the Merger. The awards and the associated recognition of stock-based compensation were contingent on the Merger being consummated. As of the approval date of the performance awards, Legacy Senti did not have sufficient common stock available for issuance. Upon the Merger, the Company increased the number of shares authorized and 6,796,074 awards were granted on June 8, 2022. Refer to Note 7, *Stockholders' Equity (Deficit)*, for further details of the shares of common stock authorized.

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2022	5,368,501	$ 9.92	9.0	$ —
Forfeited	(266,081)	$ 9.92		
Outstanding at September 30, 2023	5,102,420	$ 9.92	8.0	$ —
Vested and exercisable at September 30, 2023	1,699,129	$ 9.92	8.0	$ —

There were no performance based options granted or exercised during the nine months ended September 30, 2023, and there were 6,796,074 performance based options granted and no performance based options exercised during the nine months ended September 30, 2022.

As of September 30, 2023, the unrecognized stock-based compensation expense related to performance based options was approximately $4.7 million, expected to be recognized over a weighted-average period of 1.7 years.

Market Awards

In connection with the Business Combination Agreement with DYNS, on December 19, 2021, Legacy Senti approved 605,451 market award options to its co-founder and Chief Executive Officer, Dr. Timothy Lu, that vest contingent upon the satisfaction of all three of the following conditions: a service condition, a performance condition tied to the consummation of the Merger, and market conditions. The market condition is achieved in four tranches, where 25% of the options will vest when the trading price of the Company's stock is above various thresholds of price per share. The award and the associated recognition of stock-based compensation were contingent on the Merger being consummated. The estimated fair value of the market awards at the grant date was based on a Monte Carlo simulation valuation model. As of the approval date, Legacy Senti did not have sufficient common stock available for issuance to allow for exercise of the stock options. Upon the Merger, the Company increased the number of shares authorized and 315,748 awards were granted on June 8, 2022. Through September 30, 2023, these market awards did not meet the vesting thresholds. Refer to Note 7, *Stockholders' Equity (Deficit)*, for further details of the shares of common stock authorized.

The were no market based options granted or exercised during the nine months ended September 30, 2023, and there were 315,748 market based options granted and no market based options exercised during the nine months ended September 30, 2022.

As of September 30, 2023, the unrecognized stock-based compensation expense related to market based options was approximately $0.3 million, expected to be recognized over a weighted-average period of 0.7 years.

Restricted Stock Units

The following table summarizes the Company's restricted stock units activity and related information under all equity plans:

	Number of Restricted Stock Units		Weighted-Average Grant Date Fair Value
Outstanding at December 31, 2022	447,948	$	2.50
Forfeited	(195,228)	$	2.50
Outstanding at September 30, 2023	252,720	$	2.50

As of September 30, 2023, the unrecognized stock-based compensation expense related to restricted stock units was approximately $0.3 million, expected to be recognized over a weighted-average period of 1.0 years.

Stock-Based Compensation Expense

The Company estimates the fair value of stock options using a Black-Scholes option-pricing model. The fair value of restricted stock is based on the fair value of the Company's common stock on the grant date.

The Company uses the assumptions below for the Black-Scholes option pricing model, which are subjective and generally require significant judgment.

Fair Value of Common Stock — The fair value of the shares of common stock has historically been determined by the Company's board of directors as there was no public market for the common stock. The board of directors determined the fair value of the common stock by considering a number of objective and subjective factors, including: third-party valuations of the Company's common stock, the valuation of comparable companies, the Company's operating and financial performance, and general and industry-specific economic

outlook, amongst other factors. As of the closing of the Merger and going forward, the fair value of common stock will be based on the publicly traded market value.

Expected Term — The expected term represents the period that the Company's stock options are expected to be outstanding and is determined using the simplified method (based on the mid-point between the vesting date and the end of the contractual term). The expected term for the ESPP purchase rights is the length of the purchase period.

Volatility — The expected volatility is based on the average historical volatility of comparable publicly-traded peer companies, over a period equal to the expected term of the stock option grants, as the Company was not publicly traded prior to the Merger and does not have a trading history for its common stock for a sufficient period of time subsequent to the Merger.

Risk-free Rate — The risk-free rate assumption 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 the option.

Dividends — The Company has never paid dividends on its common stock and does not anticipate paying dividends on common stock. Therefore, the Company uses an expected dividend yield of zero.

The assumptions used to determine the grant date fair value of non-market based, stock options granted were as follows, presented on a weighted-average basis:

	Nine Months Ended September 30,	
	2023	2022
Expected term (in years)	5.9	6.5
Expected volatility	83%	79%
Risk-free interest rate	3.5%	3.0%
Dividend yield	—	—

Total stock-based compensation expense was as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
General and administrative	$ 2,153	$ 1,693	$ 8,474	$ 10,014
Research and development	334	397	1,154	1,576
Total stock-based compensation expense	$ 2,487	$ 2,090	$ 9,628	$ 11,590

In August 2023, in connection with the GeneFab transaction, the Board of Directors approved the modification of equity awards as part of termination of employment for the Company's employees transferred to GeneFab, including the Company's Chief Technology Officer. The award modifications included the acceleration of certain non-vested stock options and the extension of the post-termination exercise period of certain vested stock options. The Company accounted for the award modifications under ASC 718, *Compensation – Stock Compensation*. During the three and nine months ended September 30, 2023, the Company recorded a one-time, noncash incremental compensation expense net of the required reversal of previously recognized compensation attributed to non-vested awards in the amount of $(2.0) million related to the equity awards modifications of the employees that were

extended offers of employment by GeneFab which was included in net income from discontinued operations in the condensed consolidated statement of operations.

Total stock-based compensation expense from discontinued operations was $(2.1) million and $0.2 million for the three months ended September 30, 2023 and 2022, respectively, and $(2.0) million and $0.6 million for the nine months ended September 30, 2023 and 2022, respectively.

10. Income Tax

No provision for income taxes was recorded for the three and nine months ended September 30, 2023 and 2022, respectively. Deferred tax assets generated from the Company's net operating losses have been fully reserved, as the Company believes it is not more likely than not that the benefit will be realized due to the Company's cumulative losses generated to date.

11. Net Loss Per Share

A reconciliation of net loss available to common stockholders and the number of shares in the calculation of basic and diluted loss per share is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net loss from continuing operations	$ (36,615)	$ (14,303)	$ (64,718)	$ (34,677)
Net income (loss) from discontinued operations	$ 21,692	$ (2,337)	$ 12,376	$ (5,323)
Net loss	$ (14,923)	$ (16,640)	$ (52,342)	$ (40,000)
Weighted-average shares used in computing net loss per share, basic and diluted	44,473,400	43,424,172	44,275,741	20,150,459
Net loss per share from continuing operations, basic and diluted	$ (0.83)	$ (0.33)	$ (1.46)	$ (1.73)
Net income (loss) per share from discontinued operations, basic and diluted	0.49	(0.05)	0.28	(0.26)
Net loss per share attributable to common stockholders, basic and diluted	$ (0.34)	$ (0.38)	$ (1.18)	$ (1.99)

The following potential common stock securities were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods presented because including them would have been anti-dilutive (on an as-converted basis):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Stock options to purchase common stock	11,916,927	8,757,118	11,916,927	8,757,118
Unvested early exercised options	67,520	118,160	67,520	118,160
Restricted stock units outstanding	252,720	0	252,720	0
Contingent earnout common stock	2,000,000	2,000,000	2,000,000	2,000,000
GeneFab Option	19,633,444	0	19,633,444	0
Total	33,870,611	10,875,278	33,870,611	10,875,278

Refer to Note 3. *GeneFab Transaction*, for further details of the GeneFab transaction.

12. Commitments and Contingencies

In the ordinary course of business, the Company enters into contractual agreements with third parties that include non-cancelable payment obligations, for which the Company is liable in future periods.

On June 3, 2021, the Company entered into a lease agreement for a new cGMP facility in Alameda, California to support planned initial clinical trials for our product candidates. The lease will expire in 2032 with future undiscounted operating lease payments of $46.0 million over an initial lease period of eleven years. Refer to Note 6, *Operating Leases*, for further details of the leases.

In 2021, the Company entered into a three-year collaboration and option agreement with BlueRock Therapeutics LP ("BlueRock") under which the Company granted BlueRock an option to acquire an exclusive or non-exclusive license to develop, manufacture and commercialize cell therapy products. Refer to Note 13, *Related Parties*, for details into the BlueRock agreement. In consideration for the option, the Company is responsible for up to $10.0 million in costs and expenses incurred over the three-year term.

As of September 30, 2023, purchase commitments related to sponsored research agreements amounted to approximately $0.6 million.

The Company has entered into license agreements under which it is obligated to make annual maintenance payments of $0.1 million and specified milestone and royalty payments. Future milestone and royalty payments under these agreements are not considered contractual obligations since the payments under these agreements are contingent upon future events, such as the Company's achievement of specified development, regulatory, and sales milestones, or generating product sales. As of September 30, 2023, the Company is unable to estimate the timing or likelihood of achieving these milestones or generating future product sales.

Following the Closing, former holders of Legacy Senti common stock and preferred stock may receive up to 2,000,000 additional shares of the Company's common stock in the aggregate, in two equal tranches of 1,000,000 shares of common stock per tranche. Refer to Note 7, *Stockholders' Equity (Deficit)*, for further details of the contingent earnout liability.

Legal Proceedings

The Company is subject to claims and assessments from time to time in the ordinary course of business but does not believe that any such matters, individually or in the aggregate, will have a material adverse effect on the Company's financial position, results of operations, or cash flows.

Indemnification

In the ordinary course of business, the Company enters into agreements that may include indemnification provisions. Pursuant to such agreements, the Company may indemnify, hold harmless and defend an indemnified party for losses suffered or incurred by the indemnified party. Some of the provisions will limit losses to those arising from third-party actions. In some cases, the indemnification will continue after the termination of the agreement. The maximum potential amount of future payments the Company could be required to make under these provisions is not determinable. The Company has never incurred material costs to defend lawsuits or settle claims related to these indemnification provisions and has never accrued any liabilities related to such obligations in its condensed consolidated financial statements. The Company has also entered into indemnification agreements with its directors and officers that may require the Company to indemnify its directors and officers against liabilities that may arise by reason of their status or service as directors or officers to the fullest extent permitted by Delaware corporate law. The Company currently has directors' and officers' insurance.

13. Related Parties

NEA

NEA held 4,429,725 shares of the Company's common stock as of September 30, 2023 and December 31, 2022. NEA held one of the six seats on the Company's Board of Directors as of September 30, 2023 and December 31, 2022.

Bayer Healthcare LLC

On May 19, 2022, Legacy Senti issued to Bayer a $5.2 million unsecured convertible promissory note ("the "May 2022 Note"). On June 8, 2022, the May 2022 Note was automatically cancelled and exchanged for 517,500 shares of Common Stock at a price of $10.00 per share.

On May 21, 2021, the Company entered into a collaboration and option agreement ("BlueRock Agreement") with BlueRock, a wholly-owned subsidiary of Bayer, pursuant to which the Company granted to BlueRock an option ("BlueRock Option"), on a collaboration program-by-collaboration program basis, to obtain an exclusive or non-exclusive license to develop, manufacture and commercialize cell therapy products that contain cells of specified types and which incorporate an option gene circuit from such collaboration program or a closely related derivative gene circuit. The Company is responsible for up to $10 million in costs and expenses incurred in connection with the research plan and related activities to be conducted over a term of three years as specified in the collaboration and option agreement. If the Company and BlueRock agree to add new research activities to the research plan, then BlueRock will be obligated to reimburse the Company for the costs and expenses incurred that, together with costs and expenses incurred under the initial research plan, exceed $10 million.

The Company concluded that the Agreement is not within the scope of ASC 808, *Collaborative Arrangements*, because the Company did not receive any consideration and therefore, is not exposed to both significant risks and rewards for the arrangement. The Company also determined that the agreement is also not currently within the scope of ASC 606 because the BlueRock Agreement does not currently meet the criteria of a contract with a customer, and will not be within the scope of ASC 606 until any consideration is paid. Potential future milestone payments and royalties are subject to BlueRock's exercise of the BlueRock Option and execution of a commercial license agreement by both parties. Under the BlueRock Agreement, the specific financial terms for milestone payments and royalties will be negotiated and agreed to only after the option is exercised.

Bayer held 5,878,488 shares, of the Company's common stock as of September 30, 2023 and December 31, 2022. Bayer held one of the six seats on the Company's Board of Directors as of September 30, 2023 and December 31, 2022. Bayer's parent company is Bayer AG, which served as the lead investor in our Series B financing prior to the Merger through its Leaps by Bayer unit. Accordingly, Bayer is considered a related party.

Seer, Inc.

In January 2023, the Company acquired lab automation equipment purchased from Seer, Inc. ("Seer") (NASDAQ: SEER). Omid Farokhzad, a member of the Company's board of directors is the Chief Executive Officer for Seer. The consideration of $0.2 million, plus interest, will be paid over a two-year period, and title will transfer to the Company upon final payment. The transaction was classified as a finance lease in accordance with ASC 842.

GeneFab, LLC.

As a result of the transaction with GeneFab (refer to Note 3. *GeneFab Transaction*), whereby Philip Lee, Ph.D., the former Co-Founder and Chief Technology Officer of the Company, assumed the role of Chief Executive Officer of GeneFab, GeneFab is a related party. In connection with the disposal of the business, the Company received the GeneFab Note Receivable and the GeneFab Economic Share and provided GeneFab with the GeneFab Option. Refer to Note 4. *Fair Value Measurement.*

The Company also subleased its manufacturing facility in Alameda to GeneFab and recorded sublease income of $0.9 million including variable costs charged for the three and nine months ended September 30, 2023. As of September 30, 2023, the Company had $1.2 million of sublease rent and other charges due from GeneFab which are included in GeneFab receivable on the condensed consolidated balance sheet.

In connection with the services agreement entered into with GeneFab, the Company is entitled to $18.9 million for future services under the agreement, of which $17.3 million remained in GeneFab prepaid expenses as of September 30, 2023. Additionally, amounts due from GeneFab related to costs incurred by Senti on its behalf were $1.4 million as of September 30 2023 and were recorded in GeneFab receivable on the condensed consolidated balance sheet. The Company incurred $1.2 million of research and development expenses under the services agreement during the three and nine months ended September 30, 2023.

14. Subsequent Events

On November 6, 2023, the Company entered into a Collaboration and Option Agreement (the "Agreement") with Celest Therapeutics (Shanghai) Co. Ltd., a limited company organized under the laws of the People's Republic of China ("Celest"). Subject to the terms and conditions of the Agreement, the Company and Celest will enter into a collaboration under which Celest will lead a pilot trial of SENTI-301A in mainland China, with certain technical support from the Company. In addition, the Company agreed to grant an exclusive option to enter a license agreement with Celest to research, develop, manufacture and commercialize SENTI-301A in mainland China, Hong Kong, Macau, and Taiwan. Outside of these jurisdictions, the Company would retain its rights in SENTI-301A. Pursuant to the Agreement, and beginning with the exercise of the option and entering into a license agreement, the Company may become eligible to receive certain milestone payments, in an aggregate amount of $156 million, as well as certain tiered royalty payments. The Agreement contains representations, warranties and covenants of the Company and Celest that are customary for a transaction of this nature.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Senti Biosciences, Inc. ("Senti") entered into a business combination agreement (the "Agreement") with Dynamics Special Purpose Corp. ("DYNS") on December 19, 2021. The transactions contemplated by the terms of the Agreement were completed on June 8, 2022 (the "Closing"), in conjunction with which DYNS changed its name to Senti Biosciences, Inc. (hereafter referred to, collectively with its subsidiaries, as "Senti," the "Company," "we," "us," or "our," unless the context otherwise requires). The transactions contemplated in the Agreement are collectively referred to as the "Merger."

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and the related notes included under Part I, Item 1 of this Quarterly Report on Form 10-Q (this "Quarterly Report") as well as Senti's audited consolidated financial statements and notes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2022 (the "Annual Report") and filed with the Securities and Exchange Commission (the "SEC") on March 22, 2023. Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties.

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report includes "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act that are not historical facts and involve risks and uncertainties that could cause actual results to differ materially from those expected and projected. All statements, other than statements of historical fact included in this Form 10-Q including, without limitation, statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" regarding the Company's financial position, business strategy and the plans and objectives of management for future operations, are forward-looking statements. Words such as "expect," "believe," "anticipate," "explore," "intend," "estimate," "seek," and variations and similar words and expressions are intended to identify such forward-looking statements. Such forward-looking statements relate to future events or future performance, but reflect management's current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the Risk Factors section of the Annual Report and Part II, Item 1A of this Quarterly Report on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"). The Company's securities filings can be accessed on the EDGAR section of the SEC's website at www.sec.gov. Except as expressly required by applicable securities law, the Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Overview

Senti is a preclinical biotechnology company developing next-generation cell and gene therapies engineered with its gene circuit platform technologies to fight challenging diseases. Senti's mission is to create a new generation of smarter therapies that can outmaneuver complex diseases in ways previously not implemented by conventional medicines. To accomplish this mission, Senti has built a synthetic biology platform that it believes may enable it to program next-generation cell and gene therapies with what it refers to as "gene circuits." These gene circuits, which Senti created from novel and proprietary combinations of genetic parts, are designed to reprogram cells with biological logic to sense inputs, compute decisions and respond to their respective cellular environments. Senti's gene circuit platform technologies can be applied in a modality-agnostic manner, with applicability to natural killer (NK) cells, T cells, tumor-infiltrating lymphocytes ("TILs"), stem cells including Hematopoietic Stem Cells ("HSCs"), *in vivo* gene therapy and messenger ribonucleic acid (mRNA). All of Senti's current product candidates are in preclinical development. Senti's lead product candidates utilize allogeneic chimeric antigen receptor ("CAR") NK cells outfitted with its gene circuit technologies in several oncology indications with currently high unmet needs. Senti remains on track for having the Investigational New Drug (IND) application for SENTI-202 cleared by the FDA in the fourth quarter of 2023..

We have incurred net losses of $14.9 million and $16.6 million for the three months ended September 30, 2023 and 2022, respectively and $52.3 million and $40.0 million for the nine months ended September 30, 2023 and

2022, respectively. As of September 30, 2023 and December 31, 2022, we had cash, cash equivalents and short-term investments of $39.4 million and $98.6 million, respectively, and an accumulated deficit of $225.6 million and $173.3 million, respectively. Net cash flows used in operating activities were $45.4 million and $25.9 million during the nine months ended September 30, 2023 and 2022, respectively. Substantially all of our net losses resulted from costs incurred in connection with our research and development programs and from general and administrative costs associated with our operations. We expect to continue to incur significant losses for the foreseeable future.

We anticipate that our expenses and operating losses will increase substantially over the foreseeable future. The expected increase in expenses will be driven in large part by our ongoing activities, if and as we:

- continue to advance our gene circuit platform technologies;
- continue preclinical development of our current and future product candidates and initiate additional preclinical studies;
- commence clinical studies of our current and future product candidates;
- acquire and license technologies aligned with our gene circuit platform technologies;
- seek regulatory approval of our current and future product candidates;
- expand our operational, financial, and management systems and increase personnel, including personnel to support our preclinical and clinical development, and commercialization efforts;
- continue to develop, grow, maintain, enforce and defend our intellectual property portfolio; and
- incur additional legal, accounting, or other expenses in operating our business, including the additional costs associated with operating as a public company.

Recent Developments

On August 7, 2023, we completed a transaction with GeneFab, LLC (“GeneFab”), a new independent contract manufacturing and synthetic biology biofoundry focused on next-generation cell and gene therapies. We sold, assigned and transferred rights, title and interest in certain of our assets and contractual rights, including all of our equipment at our facilities in Alameda and certain of our intellectual property related to the schematics for and design of the Alameda facility. We subleased our recently constructed 92,000 square foot current good manufacturing practice facility in Alameda, California to GeneFab which will support the clinical manufacturing of our CAR-NK programs, including SENTI-202. The transaction provided us with additional capital in the form of a note receivable and rights to future manufacturing and research activities and reduced longer term operating expenses. In connection with the transaction, we are entitled to receive total consideration of $37.8 million before the end of 2025, of which $18.9 million was payable at closing and was netted against prepayment owed by us for manufacturing and research activities to GeneFab. The remaining $18.9 million will be paid to us in installments in 2024 and 2025, subject to satisfaction of certain conditions. The Company determined that the $18.9 million for future manufacturing and research activities, inclusive of the volume discount provided, was executed at market terms and does not result in any impact to the total consideration received from GeneFab for the disposal of the business.

We also agreed to grant a license to GeneFab under certain of our intellectual property rights to conduct manufacturing services and to research, develop, manufacture and commercialize products outside of oncology, pursuant to a license agreement under negotiation.

GeneFab was provided an option to purchase up to 19,633,444 shares (i.e. up to $20.0 million worth) of our common stock at an exercise price of $1.01867 (the “GeneFab Option”).The GeneFab Option is exercisable for a period of 36 months following the execution of the license agreement. The GeneFab Option may be exercised in installments of common stock equal to no more than 19.9% of our outstanding shares of common stock as of the closing date of the transaction.

As additional consideration for the transaction, we entered into a seller economic share agreement with GeneFab, pursuant to which we will be entitled to receive ten percent of the realized gains of GeneFab’s parent company arising and resulting from any cash or in-kind distributions from GeneFab in connection with a dividend or sale event, subject to the terms and conditions of the GeneFab Economic Share.

As the assets and contractual rights transferred to GeneFab were determined to constitute a business as defined in ASC 805, *Business Combinations*, we accounted for the disposal by applying the derecognition guidance in ASC 810, *Consolidations*, which requires that a gain or loss be recognized for the difference between the carrying value of the assets sold and the fair value of the consideration received (or receivable). In connection with the sale, we recognized a gain on disposal in the amount of $21.9 million in net income from discontinued operations during the three and nine months ended September 30, 2023, representing the excess of the fair value of the consideration received and receivable (net of the portion allocated to the GeneFab Option) over the carrying value of the assets sold of $5.5 million. The gain on disposal was primarily related to the grant of the non-oncology license to GeneFab which had no carrying value.

In accordance with ASC 205, *Presentation of Financial Statements*, we determined that the disposal of the non-oncology business, including the equipment and transfer of in-house manufacturing services in the Alameda facility, represented a strategic shift that will have a major effect on our operations and financial results, thus meeting the criteria to be reported as discontinued operations. As a result, we have retrospectively restated our condensed consolidated balance sheet at December 31, 2022 and condensed consolidated statements of operations for the three and nine months ended September 30, 2022 to reflect the assets and liabilities and operating results, respectively, related to the disposed business in discontinued operations. We have chosen not to segregate the cash flows of the disposed business in the condensed consolidated statements of cash flows. Supplemental disclosures related to discontinued operations for the statements of cash flows have been provided in Note 3. *GeneFab Transaction* to our condensed consolidated financial statements. Unless otherwise specified, the results of operations refer to continuing operations only.

Components of Results of Operations

Total Revenue

We currently have no therapeutic products approved for sale, and we have never generated any revenue from the sale of any therapeutic products. Total revenue consists of contract revenue related to research services provided to customers and grant income which is research funding received from grants.

Our ability to generate product revenues will depend on our partners' ability to replicate our results and the successful development and eventual commercialization of our product candidates, which we do not expect for the foreseeable future, if ever. We may also look to generate revenue from collaboration and license agreements in the future.

Operating Expenses

Our operating expenses consist of research and development expenses, general and administrative expenses, and impairment of property and equipment.

Research and Development Expenses

Research and development costs consist primarily of costs incurred for the discovery and preclinical development of our product candidates, which include:

- employee-related expenses, including salaries, related benefits, and stock-based compensation expenses for employees engaged in research and development functions;
- expenses incurred in connection with research, laboratory consumables and preclinical studies;
- the cost of consultants engaged in research and development related services and the cost to manufacture drug products for use in our preclinical studies and clinical trials;
- facilities, depreciation and other expenses, which include allocated expenses for rent and maintenance of facilities, insurance and supplies;
- costs related to regulatory compliance; and
- the cost of annual license fees.

We have not historically tracked research and development expenses by program, with the exception of third-party research projects. We have various ongoing early-stage research and product candidate discovery projects and going forward, we expect to have various products undergoing clinical trials. Our internal resources, employees and infrastructure are not directly tied to any one research or product candidate discovery project and are typically deployed across multiple projects. As such, we do not maintain information regarding these costs incurred for these early-stage research and product candidate discovery programs on a project-specific basis.

Our direct external development program expenses reflect external costs attributable to our preclinical development candidates selected for further development as well as investigational new drug applications ("INDs") and clinical development activities. Such expenses include third-party contract costs relating to manufacturing, clinical trial activities, translational medicine and toxicology activities. We do not allocate internal research and development costs which include personnel, facility costs, laboratory consumables and discovery and research related activities associated with our pipeline because these costs are deployed across multiple programs and our platform, and, as such, are not separately classified.

Our research and development expenses related to the assets sold to GeneFab are included in discontinued operations.

Research and development expenses consisted of the following (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Personnel-related expenses, including share-based compensation	$ 2,733	$ 1,787	$ 7,593	$ 6,583
External services and supplies	4,384	2,711	8,517	8,656
Office and facilities	1,702	1,810	6,108	5,333
Other	273	211	810	536
Total	$ 9,092	$ 6,519	$ 23,028	$ 21,108

Research and development activities are central to our business model. There are numerous factors associated with the successful commercialization of any of our product candidates, including future trial design and various regulatory requirements, many of which cannot be determined with accuracy at this time based on our stage of development. In addition, future regulatory factors beyond our control may impact our preclinical development programs. Product candidates in clinical development generally have higher development costs than those in preclinical stages of development, primarily due to the increased size and duration of clinical trials. At this time, we cannot reasonably estimate or know the nature, timing and costs of the efforts that will be necessary to complete the preclinical development of any of our product candidates. However, we expect that our research and development expenses and manufacturing costs will increase substantially in connection with our planned preclinical and clinical development activities in the near term and in the future.

The successful development of our current and future product candidates is highly uncertain. This is due to numerous risks and uncertainties, including the following:

- negative or inconclusive results from our preclinical studies or clinical trials or the clinical trials of others for product candidates similar to ours, leading to a decision or requirement to conduct additional preclinical studies or clinical trials or abandon any or all of our programs;
- product-related side effects experienced by participants in our clinical trials or by individuals using therapeutics similar to our product candidates;
- delays in submitting IND applications or comparable foreign applications, or delays or failures to obtain the necessary approvals from regulators to commence a clinical trial, or a suspension or termination of a clinical trial once commenced;
- conditions imposed by the U.S. Food and Drug Administration ("FDA") or other regulatory authorities regarding the scope or design of our clinical trials;

- delays in enrolling research subjects in clinical trials;
- high drop-out rates of research subjects;
- inadequate supply or quality of product candidate components or materials or other supplies necessary for the conduct of our clinical trials;
- Chemistry, manufacturing and control ("CMC") challenges associated with manufacturing and scaling up biologic product candidates to ensure consistent quality, stability, purity and potency among different batches used in clinical trials;
- greater-than-anticipated clinical trial costs;
- poor potency or effectiveness of our product candidates during clinical trials;
- unfavorable FDA or other regulatory authority inspection and review of a clinical trial or manufacturing site;
- failure of our third-party contractors or investigators to comply with regulatory requirements or otherwise meet their contractual obligations in a timely manner, or at all;
- delays and changes in regulatory requirements, policies and guidelines; and
- the FDA or other regulatory authorities interpret our data differently than we do.

A change in the outcome of any of these variables may significantly impact the costs and timing associated with the development of our product candidates. We may never succeed in obtaining regulatory approval for any of our product candidates.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and employee-related costs, including stock-based compensation, for personnel in executive, finance and other administrative functions. Other significant costs include legal fees relating to corporate matters, professional fees for accounting and consulting services and an allocation of facility-related costs.

Our general and administrative costs related to the assets sold to GeneFab are included in discontinued operations.

General and administrative expenses consisted of the following (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Personnel-related expenses, including share-based compensation	$ 5,127	$ 5,424	$ 18,243	$ 20,195
External services and supplies	2,025	3,355	4,810	5,684
Office and facilities	829	374	1,547	1,011
Insurance	317	447	1,236	649
Other	139	174	453	460
Total	$ 8,437	$ 9,774	$ 26,289	$ 27,999

We expect our general and administrative expenses will increase for the foreseeable future to support our increased research and development, manufacturing activities, and preclinical and clinical activities and to reflect increased costs associated with operating as a public company. These increased costs will likely include increased expenses for audit, legal, regulatory, tax and related services associated with maintaining compliance with exchange listing and SEC requirements, director and officer insurance premiums and investor relations costs.

Impairment of Property and Equipment

Impairment of property and equipment relates to the impairment of our leasehold improvements for the Alameda facility subleased to GeneFab as a result of our asset group reassessment which triggered a need to perform an impairment analysis following the closing of the GeneFab transaction.

Other Income (Expense)

Interest Income, net

Interest income, net consists of interest earned on our cash and cash equivalents, and short-term investments, if any, held during the year, net of interest expense.

Change in Fair Value of Contingent Earnout Liability

The change in fair value of the contingent earnout liability that was accounted for as a liability as of the date of the Merger is remeasured to fair value at each reporting period, resulting in a non-cash gain or loss.

Change in Fair Value of GeneFab Note Receivable - related party

The change in fair value of GeneFab note receivable consists of the remeasurement to fair value of the deferred consideration due from GeneFab for which we have elected the fair value option.

Change in Fair Value of GeneFab Economic Share - related party

The change in fair value of GeneFab Economic Share is a result of the change in the equity value of GeneFab.

Change in Fair Value of GeneFab Option - related party

The change in fair value of the GeneFab Option consists of the remeasurement to fair value of the derivative liability related to the option provided to GeneFab to acquire up to $20.0 million in shares of our common stock at a purchase price of $1.01867.

Gain on Extinguishment of Convertible Notes

Our convertible note was extinguished as part of the Merger and the change in fair value was recorded in earnings.

GeneFab sublease Income - related party

Other income (expense) is primarily comprised of income from our sublease with GeneFab.

Net Income (Loss) from Discontinued Operations

Net income (loss) from discontinued operations includes the results of our manufacturing and research activities related to the Alameda facility through the disposition date of August 7, 2023.

Net income (loss) from discontinued operations is summarized below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating expenses:				
Research and development	$ 1,641	$ 1,537	$ 9,975	$ 3,796
General and administrative	(1,478)	800	(496)	1,527
Total operating expenses	163	2,337	9,479	5,323
Loss from discontinued operations	(163)	(2,337)	(9,479)	(5,323)
Other income (expense)	(6)	—	(6)	—
Gain on disposal of business	21,861	—	21,861	—
Net income (loss) from discontinued operations	$ 21,692	$ (2,337)	$ 12,376	$ (5,323)

Results of Operations

Comparison of the Three Months Ended September 30, 2023 and 2022

The following table summarizes our results of operations for the three months ended September 30, 2023 and 2022 (in thousands):

	Three Months Ended September 30,		
	2023	2022	Change
Revenue			
Contract revenue	$ 255	$ 1,516	$ (1,261)
Grant income	83	250	(167)
Total revenue	338	1,766	(1,428)
Operating expenses			
Research and development (included related party cost of $1,186 and $ -, respectively)	9,092	6,519	2,573
General and administrative	9,431	9,995	(564)
Impairment of property and equipment	25,691	—	25,691
Total operating expenses	44,214	16,514	27,700
Loss from operations	(43,876)	(14,748)	(29,128)
Other income (expense)			
Interest income, net	583	542	41
Change in fair value of contingent earnout liability	—	(99)	99
Change in fair value of GeneFab Note Receivable - related party	287	—	287
Change in fair value of GeneFab Economic Share - related party	(123)	—	(123)
Change in fair value of GeneFab Option - related party	5,629	—	5,629
GeneFab sublease income - related party	899	—	899
Other income (expense)	(14)	2	(16)
Total other income (expense), net	7,261	445	6,816
Net loss from continuing operations	(36,615)	(14,303)	(22,312)
Net income (loss) from discontinued operations	21,692	(2,337)	24,029
Net loss	$ (14,923)	$ (16,640)	$ 1,717

Contract revenue. For the three months ended September 30, 2023 and 2022, we generated revenue from contracts and license agreements of $0.3 million and $1.5 million, respectively. The decrease of $1.3 million was primarily due to decline in services provided under the Spark collaboration agreement.

Grant income. For the three months ended September 30, 2023 and 2022, we generated revenue from grants of $0.1 million and $0.3 million, respectively, from the SBIR SENTI-202 grant funding.

Research and development expenses. Research and development expenses were $9.1 million and $6.5 million for the three months ended September 30, 2023 and 2022, respectively. The increase of $2.6 million was primarily due to an increase of $0.9 million in personnel-related expenses and an increase of $1.7 million in professional services cost.

General and administrative expenses. General and administrative expenses were $9.4 million and $10.0 million for the three months ended September 30, 2023 and 2022, respectively. The decrease of $0.6 million was primarily due to a decrease of $0.3 million in personnel-related expenses and a decrease of $1.3 million in professional services costs, offset by an increase of $0.8 million in depreciation and amortization costs as well as an increase of $0.5 million in facilities costs.

Impairment of property and equipment: Impairment of property and equipment was $25.7 million for the three months ended September 30, 2023 due to the impairment of our leasehold improvements related to the Alameda facility subleased to GeneFab as a result of our asset group reassessment which triggered a need to perform an impairment analysis following the closing of the GeneFab transaction.

Interest income, net. Interest income was $0.6 million and $0.5 million for the three months ended September 30, 2023 and 2022, respectively, due to higher average cash balances, as well as an increase in interest rates in the relevant periods.

Change in fair value of contingent earnout liability. For the three months ended September 30, 2023 and 2022, we recognized no gain and a gain of $0.1 million, respectively. The decrease of $0.1 million related to the decrease in the fair value of our common stock.

Change in fair value of GeneFab Note Receivable - related party. For the three months ended September 30, 2023, the change in fair value of GeneFab Note Receivable was a gain of $0.3 million primarily due to the change in the discount rate.

Change in fair value of GeneFab Economic Share - related party. For the three months ended September 30, 2023, the change in fair value of GeneFab Economic Share was a loss of $0.1 million primarily due to the change in the equity value of GeneFab.

Change in fair value of GeneFab Option - related party. For the three months ended September 30, 2023, the change in fair value of GeneFab Option was a gain of $5.6 million primarily due to the decrease in the fair value of our common stock, which is a significant input in the measurement of the GeneFab Option.

GeneFab sublease income - related party. For the three months ended September 30, 2023, sublease income was $0.9 million from the sublease to GeneFab for the Alameda facility.

Net income (loss) from discontinued operations. Net income from discontinued operations was $21.7 million for the three months ended September 30, 2023, compared to net loss from discontinued operations of $2.3 million for the three months ended September 30, 2022. The increase was primarily due to the gain of $21.9 million on the disposal of the assets sold to GeneFab and a decrease of $2.3 million in stock-based compensation mainly due to the modification of equity awards for terminated employees.

Comparison of the Nine Months Ended September 30, 2023 and 2022

The following table summarizes our results of operations for the nine months ended September 30, 2023 and 2022 (in thousands):

	Nine Months Ended September 30,		
	2023	2022	Change
Revenue			
Contract revenue	$ 1,978	$ 3,477	$ (1,499)
Grant income	583	750	(167)
Total revenue	2,561	4,227	(1,666)
Operating expenses			
Research and development (included related party cost of $1,186 and $ -, respectively)	23,028	21,108	1,920
General and administrative	27,871	28,409	(538)
Impairment of property and equipment	25,691	—	25,691
Total operating expenses	76,590	49,517	27,073
Loss from operations	(74,029)	(45,290)	(28,739)
Other income (expense)			
Interest income, net	2,438	573	1,865
Change in fair value of contingent earnout liability	207	8,779	(8,572)
Change in fair value of GeneFab Note Receivable - related party	287	—	287
Change in fair value of GeneFab Economic Share - related party	(123)	—	(123)
Change in fair value of GeneFab Option - related party	5,629	—	5,629
Gain on extinguishment of convertible notes	—	1,289	(1,289)
GeneFab sublease income - related party	899	—	899
Other income (expense)	(26)	(28)	2
Total other income (expense), net	9,311	10,613	(1,302)
Net loss from continuing operations	(64,718)	(34,677)	(30,041)
Net income (loss) from discontinued operations	12,376	(5,323)	17,699
Net loss	$ (52,342)	$ (40,000)	$ (12,342)

Contract revenue. For the nine months ended September 30, 2023 and 2022, we generated revenue from contracts and license agreements of $2.0 million and $3.5 million, respectively. The decrease of $1.5 million was primarily due to decline in services provided under the Spark collaboration agreement.

Grant income. For the nine months ended September 30, 2023 and 2022, we generated revenue from grants of $0.6 million and $0.8 million, respectively, from the SBIR SENTI-202 grant funding.

Research and development expenses. Research and development expenses were $23.0 million and $21.1 million for the nine months ended September 30, 2023 and 2022, respectively. The increase of $1.9 million was primarily due to an increase of $1.0 million in personnel-related expenses, an increase of $0.8 million in facility costs, and an increase of $0.3 million in other costs, partially offset by a decrease of $0.1 million in professional services costs.

General and administrative expenses. General and administrative expenses were $27.9 million and $28.4 million for the nine months ended September 30, 2023 and 2022, respectively. The decrease of $0.5 million was primarily due to a decrease of $2.0 million in personnel-related expenses, a decrease of $0.9 million in professional services costs, offset by an increase of $0.6 million in insurance and an increase of $1.2 million in depreciation and amortization.

Impairment of Property and Equipment. Impairment of property and equipment of $25.7 million for the nine months ended September 30, 2023 was due to the impairment of leasehold improvements related to our Alameda facility subleased to GeneFab as a result of our asset group reassessment which triggered a need to perform an impairment analysis following the closing of the GeneFab transaction.

Interest Income, net. Interest income was $2.4 million and $0.6 million for the nine months ended September 30, 2023 and 2022, respectively, due to higher average cash balances, as well as an increase in interest rates in the relevant periods.

Change in fair value of contingent earnout liability. For the nine months ended September 30, 2023 and 2022, we recognized a non-cash gain of $0.2 million and $8.8 million, respectively. The decrease of $8.6 million related to the decrease in the fair value of our common stock.

Change in fair value of GeneFab Note Receivable. For the nine months ended September 30, 2023, the change in fair value of GeneFab Note Receivable was a gain of $0.3 million primarily due to a change in the discount rate.

Change in fair value of GeneFab Economic Share. For the nine months ended September 30, 2023, the change in fair value of GeneFab Economic Share was a loss of $0.1 million due to a change in the equity value of GeneFab.

Change in fair value of GeneFab Option. For the nine months ended September 30, 2023, the change in fair value of GeneFab Option was a gain of $5.6 million primarily due to the decrease in the fair value of our common stock, which is a significant input in the measurement of the GeneFab Option.

Gain on extinguishment of convertible notes. For the nine months ended September 30, 2022, we recognized a gain of $1.3 million upon extinguishment of convertible notes as part of the Merger.

GeneFab sublease income - related party. For the nine months ended September 30, 2022, sublease income was $0.9 million from the sublease to GeneFab for the Alameda facility.

Net income (loss) from discontinued operations. Net income from discontinued operations was $12.4 million for the nine months ended September 30, 2023, compared to net loss from discontinued operations of $5.3 million for the nine months ended September 30, 2022. The increase was primarily due to the gain of $21.9 million on the disposal of the assets sold to GeneFab, a decrease of $2.6 million in stock-based compensation due to the modification of equity awards for terminated employees, partially offset by an increase in research and development expenses of $6.2 million.

Liquidity and Capital Resources

Sources of Liquidity

From inception to September 30, 2023, we raised aggregate gross proceeds of $299.5 million from the Merger and PIPE Financing, the issuance of shares of our common stock, the issuance of shares of our redeemable convertible preferred stock, the issuance of convertible notes and, to a lesser extent, through collaboration agreements and governmental grants.

On August 31, 2022, we entered into the Purchase Agreement with Chardan. Pursuant to the Purchase Agreement, we have the right, in our sole discretion, to sell to Chardan up to the lesser of: (i) $50.0 million of shares of our common stock; and (ii) 8,727,049 shares of common stock at 97% of the volume weighted average price ("VWAP") of the common stock calculated in accordance with the Purchase Agreement, over a period of 36 months subject to certain limitations and conditions contained in the Purchase Agreement. Sales and timing of any sales of common stock are solely at our election, and we are under no obligation to sell any securities to Chardan under the Purchase Agreement. As consideration for Chardan's commitment to purchase shares of our common stock at our direction upon the terms and subject to the conditions set forth in the Purchase Agreement, upon execution of the

Purchase Agreement, we issued 100,000 shares of our common stock to Chardan and paid a $0.4 million document preparation fee. We recognized an expense of $0.7 million within general and administrative expenses in our Condensed Consolidated Statements of Operations and Comprehensive Loss for the Chardan related costs and legal fees incurred in connection with the agreement.

Other than the issuance of the commitment shares of our common stock to Chardan we issued 300,000 shares of common stock up until September 30, 2023, for aggregate net proceeds of $0.7 million under the Purchase Agreement. There were no shares issued within the nine months ended September 30, 2023.

We do not have any products approved for sale and have not generated any revenue from product sales or otherwise. We have incurred net losses and negative cash flows from continuing operations since our inception and anticipate we will continue to incur net losses for the foreseeable future. As of September 30, 2023, we had $39.4 million in cash, cash equivalents and short-term investments, and an accumulated deficit of $225.6 million.

We will need substantial additional funding to support our continuing operations and pursue our development strategy. Until such time as we can generate significant revenue from sales of our product candidates, if ever, we expect to finance our operations through the sale of equity, debt financings or other capital sources, including potential collaborations with other companies or other strategic transactions. Adequate funding may not be available to us on acceptable terms, if at all. Should we fail to raise capital or enter into such agreements as, and when, needed, we may have to significantly delay, scale back, or discontinue the development and commercialization of our product candidates or delay our efforts to expand our product pipeline. We may also be required to sell or license to other parties rights to develop or commercialize our product candidates that we would prefer to retain.

The transaction with GeneFab, as described in “Recent Developments” above, provided us with additional capital in the form of a note receivable and rights to future manufacturing and research activities and reduced longer term operating expenses. In connection with the transaction, we are entitled to receive total consideration of $37.8 million before the end of 2025, of which $18.9 million was payable at closing and was netted against prepayment owed by us for manufacturing and research activities to GeneFab. The remaining consideration of $18.9 million will be received in installments during 2024 and 2025, subject to satisfaction of certain conditions. The Company determined that the $18.9 million for future manufacturing and research activities, inclusive of the volume discount provided, was executed at market terms and does not result in any impact to the total consideration received from GeneFab for the disposal of the business.

Cash Flows

The following table sets forth a summary of our cash flows from continuing and discontinued operations for each of the periods indicated (in thousands):

	Nine Months Ended September 30,	
	2023	2022
Net cash from operating activities	$ (45,358)	$ (25,890)
Net cash from investing activities	29,976	(32,841)
Net cash from financing activities	223	117,675
Net change in cash and cash equivalents	$ (15,159)	$ 58,944

Operating Activities

For the nine months ended September 30, 2023, net cash used in operating activities of $45.4 million was primarily due to our loss of $52.3 million with non-cash adjustments of $25.7 million for impairment of property and equipment, $21.9 million gain on disposal of business to GeneFab, $7.6 million for stock-based compensation expense, $5.6 million gain from change in fair value of the GeneFab Option, $4.0 million for depreciation and amortization of operating lease right-of-use-assets, $1.1 million for accretion of discount on short-term investments, $0.3 million gain for the change in fair value of the GeneFab receivable receivable, $0.2 million gain for the change in fair value of contingent earnout liability, and $0.1 million loss for the change in fair value of the GeneFab

Economic Share. Other material changes comprised of $0.8 million decrease in deferred revenue, offset by $0.1 million increase in operating lease liabilities.

For the nine months ended September 30, 2022, net cash used in operating activities of $25.9 million was primarily due to our net loss of $40.0 million with non-cash adjustments of $12.2 million for stock-based compensation expense, $8.8 million for the change in fair value of contingent earnout liability, $3.0 million for depreciation and amortization of operating lease right-of-use assets and $1.3 million for gain on extinguishment of convertible notes. Other material changes comprised of $11.2 million increase in operating lease liabilities, a $1.6 million increase in accounts payable and accrued expenses and other current liabilities, and a 0.4 million decrease in accounts receivable, offset by a $1.8 million increase in prepaid expenses and other assets and a $1.7 million decrease in deferred revenue.

Investing Activities

For the nine months ended September 30, 2023, net cash provided by investing activities of $30.0 million was due to $60.0 million cash received upon maturity of short-term investments offset by $18.0 million purchases of short-term investments and $12.0 million purchases of property and equipment.

For the nine months ended September 30, 2022, net cash used in investing activities of $32.8 million, was entirely due to purchases of property and equipment.

Financing Activities

For the nine months ended September 30, 2023, $0.2 million cash was provided by financing activities primarily due to $0.3 million proceeds from the issuance of common stock under Employee Stock Purchase Plan (ESPP).

For the nine months ended September 30, 2022, net cash provided by financing activities of $117.7 million was primarily due to $112.0 million proceeds received from Merger and related PIPE financing activities, net of transaction cost, $5.2 million from issuance of convertible notes and $0.5 million proceeds from the issuance of common stock upon exercise of stock options.

Funding Requirements

Based upon our current operating plans, there is uncertainty about whether our existing cash, cash equivalents, and short-term investments will be sufficient to fund our operations, including clinical trial expenses and capital expenditure requirements, beyond twelve months from the date of this Quarterly Report. We anticipate that we will continue to seek additional funding, though the precise timing of such may prove uncertain. 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. Our assumptions may prove to be inaccurate, and we could deplete our capital resources sooner than we expect. Additionally, the process of testing and manufacturing product candidates in preclinical studies and clinical trials is costly and the timing and expenses in these trials are uncertain.

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

- the scope, rate of progress, results and costs of drug discovery, preclinical development, laboratory testing and clinical trials for our product candidates;
- the number and development requirements of product candidates that we may pursue, and other indications for our current product candidates that we may pursue;
- the costs, timing and outcome of regulatory review of our product candidates;
- the scope and costs of any commercial manufacturing activities;
- the cost associated with commercializing any approved product candidates;
- the cost and timing of developing our ability to establish sales and marketing capabilities, if any;

- the costs of preparing, filing and prosecuting patent applications, maintaining, enforcing and protecting our intellectual property rights, defending intellectual property-related claims and obtaining licenses to third-party intellectual property;
- the timing and amount of any milestone and royalty payments we are required to make under our present or future license agreements;
- our ability to establish and maintain collaborations on favorable terms, if at all; and
- the extent to which we acquire or in-license other product candidates and technologies and associated intellectual property.

In order to improve our liquidity, management is actively pursuing additional financing. We expect our expenses to increase substantially in connection with ongoing activities, particularly as we advance our preclinical activities and clinical trials for our product candidates in development. Accordingly, we will need to obtain substantial additional funding for continuing operations. If we are unable to raise capital when needed, or on attractive terms, we could be forced to delay, reduce or eliminate our research or drug development programs or any future commercialization efforts. Although management continues to pursue these plans, there is no assurance that we will be successful in obtaining sufficient funding on terms acceptable to us to fund continuing operations, if at all.

Contractual Obligations and Commitments

On June 3, 2021, we entered into a lease agreement for a new cGMP facility in Alameda, California to support planned initial clinical trials for our product candidates. The lease will expire in 2032 with future undiscounted operating lease payments of $46.0 million over an initial lease period of eleven years. See Note 6. *Operating Leases* for details on our lease obligations.

During the year ended December 31, 2021, we entered into a three-year collaboration and option agreement with BlueRock Therapeutics LP (“BlueRock”) under which we granted BlueRock an option to execute an exclusive or non-exclusive license to develop, manufacture and commercialize cell therapy products (See Part I, Item 1, Notes to Condensed Consolidated Financial Statements (Unaudited), Note 13. *Related Parties* for details into the BlueRock agreement). In consideration for the option, we are responsible for up to $10.0 million in research and development costs and expenses associated with the collaboration plan incurred over the three-year term.

We have also entered into license agreements under which we are obligated to make annual maintenance payments of $0.1 million and specified milestone and royalty payments. Milestone and royalty payment obligations under these agreements are contingent upon future events, such as our achievement of specified development, regulatory, and sales milestones, or generating product sales. As of September 30, 2023, we were unable to estimate the timing or likelihood of achieving these milestones or generating future product sales.

We have entered into sponsored research agreements under which we are obligated to pay $0.3 million in 2023 and 2024, respectively.

Following the closing of the Merger, former holders of Legacy Senti common stock and preferred stock may receive up to 2,000,000 additional shares of our common stock in the aggregate, in two equal tranches of 1,000,000 shares of common stock per tranche. Refer to Note 7. *Stockholders’ Equity (Deficit)*, for further details of the contingent earnout.

Off-Balance Sheet Arrangements

During the periods presented, we did not have, nor do we currently have, any off-balance sheet arrangements as defined under the rules and regulations of the SEC.

Critical Accounting Estimates

Our management’s discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles, or GAAP. The preparation of these consolidated financial statements requires us to make estimates and

judgments that affect the reported amounts of assets, liabilities and expenses and the disclosure of contingent assets and liabilities in our consolidated financial statements and accompanying notes. On an ongoing basis, we evaluate our estimates and judgments. We base our estimates and assumptions on historical experience, known trends and events, and various other factors that are believed to be reasonable and appropriate 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. Actual results may differ from these estimates under different assumptions or conditions.

While our significant accounting policies are described in more detail in Note 2 to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q, we believe the following accounting policies and estimates to be most critical to the preparation of our consolidated financial statements. We define our critical accounting policies as those under U.S. GAAP that require us to make subjective estimates and judgments about matters that are inherently uncertain and are likely to have a material impact on our financial condition and results of operations, as well as the specific manner in which we apply those principles.

During the nine months ended September 30, 2023, there have not been any other significant changes to our critical accounting policies and estimates, except as noted below, from those presented in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, that are of significance, or potential significance, to us.

Impairment of Long-Lived Assets

As a result of the change in the manner in which the Company expects to recover the assets associated with the lease on the Alameda facility to GeneFab, the ROU asset and the related leasehold improvements became a separate asset group for the purposes of long-lived asset impairment assessment. This asset group reassessment triggered a need to perform an impairment analysis. The Company tested the asset group for impairment and recognized an impairment loss in the amount of $25.7 million during the three and nine months ended September 30, 2023, representing the difference between the carrying value of the asset group of $54.6 million and its estimated fair value of $28.9 million, determined based on the discounted cash flows expected to be generated from the use of the asset group through the sublease. Further, the Company determined that the individual fair value of the ROU asset within the asset group exceeded its carrying value as of the impairment testing date. Accordingly, the Company allocated the entire impairment loss to the leasehold improvements associated with the Alameda lease.

GeneFab Note Receivable

We elected to account for the GeneFab Note Receivable from GeneFab under the fair value option in ASC 825, *Financial Instruments* (“ASC 825”). The GeneFab Note Receivable was recorded at its fair value on issuance and subsequently remeasured each reporting period with changes in fair value recorded in other income (expense) in the condensed consolidated statements of operations and comprehensive loss until settlement. We estimated the fair value by discounting future payments under multiple probability-weighted scenarios using our cost of borrowing based on published CCC-rated corporate bond yields.

GeneFab Economic Share

We elected to account for the GeneFab Economic Share under the fair value option in ASC 825. The GeneFab Economic Share was recorded at its fair value on issuance and subsequently remeasured each reporting period with changes in fair value recorded in other income (expense) in the condensed consolidated statements of operations and comprehensive loss until settlement. We estimated the fair value using the option pricing method, which allocates total estimated enterprise value to various classes of equity using the Backsolve method. Significant assumptions used were the equity value of GeneFab, volatility, risk-free rate, expected term, and dividend yield.

GeneFab Option

The GeneFab Option meets the definition of a derivative under ASC 815, *Derivatives and Hedging*, and does not meet the criteria for equity classification. The derivative liability was recorded at its fair value on issuance and subsequently remeasured each reporting period with changes in fair value recorded in other income (expense) in the condensed consolidated statements of operations and comprehensive loss until settlement. The fair value of the

derivative liability was determined using a Black-Scholes option pricing model incorporating assumptions such as the fair value of our common stock, the risk-free rate, volatility, expected term and dividend yield.

Emerging Growth Company Status

The Jumpstart Our Business Startups Act ("JOBS") Act permits an emerging growth company to take advantage of an extended transition to comply with new or revised accounting standards applicable to public companies until those standards would otherwise apply to private companies. The Company is an "emerging growth company" as defined in Section 2(a) of the Securities Act, and has elected to not take advantage of the benefits of this extended transition period.

We expect to remain an emerging growth company until the earlier of: (1) the last day of the fiscal year (a) following the fifth anniversary of the closing of the Dynamics Initial Public Offering ("IPO") (which occurred on May 25, 2021), (b) in which we have total annual revenue of at least $1.235 billion, or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common equity that is held by non-affiliates exceeds $700 million as of the end of that fiscal year's second fiscal quarter and our net sales for the year exceed $100 million; and (2) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the preceding, rolling three-year period.

Smaller Reporting Company Status

The Company is a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company if (1) the market value of our common stock held by non-affiliates is less than $250 million as of the last business day of the second fiscal quarter, or (2) our annual revenues in our most recent fiscal year completed before the last business day of our second fiscal quarter are less than $100 million and the market value of our common stock held by non-affiliates is less than $700 million as of the last business day of the second fiscal quarter.

Segment Information

We have one business activity and operate in one reportable segment.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a "smaller reporting company," we are not required to provide this information.

Item 4. Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

Evaluation of Disclosure Controls and Procedures

Prior to the Merger, we had been a private company with limited accounting personnel and other resources with which to address our internal control over financial reporting. In connection with our preparation and the audit of our consolidated financial statements as of and for the year ended December 31, 2021, we and our independent registered public accounting firm identified a material weakness, as defined under the Exchange Act and by the Public Company Accounting Oversight Board (United States), in our internal control over financial reporting. The material weakness related to a lack of sufficient and adequate resources in the finance and accounting function that resulted in a lack of formalized risk assessment process, lack of segregation of duties, and ineffective process level control activities over the management review of journal entries, account reconciliations and non-routine transactions. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial

reporting such that there is a reasonable possibility that a material misstatement of our consolidated financial statements will not be prevented or detected on a timely basis.

We have taken a number of remediation actions during the year ended December 31, 2022, and are continuing with our efforts. Remediation actions taken during the fiscal year ended December 31, 2022 and that continue include:

- hiring personnel with appropriate levels of experience in accounting, technology, and internal controls;
- engaging a professional accounting services firm to help us commence the documentation and assessment of our internal controls for complying with the Sarbanes-Oxley Act;
- implementing a risk assessment over financial reporting controls; and
- implementing new software tools.

While significant progress has been made to enhance our internal control over financial reporting, we are still in the process of building and enhancing our processes, procedures, and controls. Additional time is required to complete the remediation of these material weaknesses and the assessment to ensure the sustainability of these remediation actions. We believe the above actions, when complete, will be effective in the remediation of the material weakness described above.

Changes in Internal Control Over Financial Reporting

During the most recently completed fiscal quarter, there has been no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company currently is not aware of any legal proceedings or claims that management believes will have, individually or in the aggregate, a material adverse effect on the Company's business, financial condition, results of operations, or cash flows.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk. Before you decide to invest in common stock, you should consider carefully the risks described below, together with the information contained in the Quarterly Report on Form 10-Q for the Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (the "SEC") on May 9, 2023, including our financial statements and the related notes appearing in that Form 10-Q.. We believe the risks described below are the risks that are material to us as of the date of the Annual Report. Factors that could cause our actual results to differ materially from those in the Annual Report are any of the risks described in the Item 1A below. Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations. If any of the following risks actually occur, our business, results of operations and financial condition would likely be materially and adversely affected. In these circumstances, the market price of our common stock could decline, and you may lose part or all of your investment.

Summary Risk Factors

The risk factors set forth below represent a summary of some of the principal risk factors which potential investors in our securities should be aware of. Although each of these risks is important, this list is not and is not intended to be a substitute for investors reviewing all of the information in this Quarterly Report, including all risk factors which follow this summary.

- We are a preclinical stage biotechnology company with a history of losses. We expect to continue to incur significant losses for the foreseeable future and may never achieve or maintain profitability.
- We have identified a material weakness in our internal control over financial reporting. If our remediation of the material weakness is not effective, or if we experience additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls in the future, we may not be able to accurately report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our common stock.
- Members of our management team have limited experience in managing the day-to-day operations of a public company and, as a result, we may incur additional expenses associated with the management of our company.
- Our history of recurring losses and anticipated expenditures raises substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern requires that we obtain sufficient funding to finance our operations.
- We may not achieve the intended objectives of our strategic prioritization plan announced in January 2023.
- Our current product candidates are in preclinical development and have never been tested in humans. One or all of our current product candidates may fail in clinical development or suffer delays that materially and adversely affect their ability to receive regulatory approval or to attain commercial viability.
- If any of our current or potential future product candidates is ever tested in humans, it may not demonstrate the safety, purity and potency, or efficacy, necessary to become approvable or commercially viable.
- Our gene circuit platform technologies are based on novel technologies that are unproven and may not result in approvable or marketable products, which exposes us to unforeseen risks and makes it difficult for us to predict the time and cost of product development and potential for regulatory approval.

- We may not be successful in our efforts to use and expand our gene circuit platform to expand our pipeline of product candidates.
- The market, physicians, patients, regulators and potential investors may not be receptive to our current or potential future product candidates and may be skeptical of the viability and benefits of our gene circuit pipeline technology because it is based on a relatively novel and complex technology.
- The occurrence of serious complications or side effects in connection with use of our product candidates, either in clinical trials or post-approval, could lead to discontinuation of our clinical development programs, refusal of regulatory authorities to approve our product candidates or, post-approval, revocation of marketing authorizations or refusal to approve applications for new indications, which could severely harm our business, prospects, operating results and financial condition.
- We and our collaborators may not achieve projected discovery and development milestones and other anticipated key events in the time frames that we or they announce, which could have an adverse impact on our business and could cause our stock price to decline.
- If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.
- If we decide to seek orphan drug designation for one or more of our product candidates, we may be unsuccessful or may be unable to maintain the benefits associated with orphan drug designation for our current or future product candidates that we may develop.
- We may not be able to conduct, or contract with others to conduct, animal testing in the future, which could harm our research and development activities.
- We rely on third parties to conduct our preclinical studies, and plan to rely on third parties to conduct clinical trials, and those third parties may not perform satisfactorily.
- Supply of our product candidates for preclinical and clinical development may become limited or interrupted or may not be of satisfactory quantity or quality, and we could experience delays relying on third-party manufacturers.
- We are exposed to a number of risks related to our supply chain for the materials required to manufacture our product candidates.
- We face competition from companies that have developed or may develop product candidates for the treatment of the diseases that we may target, including companies developing novel therapies and platform technologies. If these companies develop platform technologies or product candidates more rapidly than we do, or if their platform technologies or product candidates are more effective or have fewer side effects, our ability to develop and successfully commercialize product candidates may be adversely affected.
- Our business entails a significant risk of product liability, and our inability to obtain sufficient insurance coverage could have a material adverse effect on our business, financial condition, results of operations and prospects.
- Our business, operations and clinical development plans and timelines could be adversely affected by the impact of global economic and political developments, including high inflation and capital market disruption, the war in Ukraine, the current armed conflict in Israel and the Gaza Strip, economic sanctions and economic slowdowns or recession, including any lingering impact from the COVID-19 pandemic, or by the manufacturing, clinical trial and other business activities performed by us or by third parties with whom we may conduct business, including our anticipated contract manufacturers, contract research organizations (“CROs”), shippers and others.

Risks Related to Our Limited Operating History and Financial Condition

We are a preclinical stage biotechnology company with a history of losses. We expect to continue to incur significant losses for the foreseeable future and may never achieve or maintain profitability.

We are a preclinical stage biotechnology company with a history of losses. Since our inception, we have devoted substantially all of our resources to research and development, preclinical studies, building our management team and building our intellectual property portfolio, and we have incurred significant operating losses. Our net losses were $52.3 million and $40.0 million for the nine months ended September 30, 2023 and 2022, respectively. As of September 30, 2023, we had an accumulated deficit of $225.6 million. Substantially all of our losses have resulted from expenses incurred in connection with our research and development programs and from general and administrative costs associated with our operations. To date, we have not generated any revenue from product sales, and we have not sought or obtained regulatory approval for any product candidate. Furthermore, we do not expect to generate any revenue from product sales for the foreseeable future, and we expect to continue to incur significant operating losses for the foreseeable future due to the cost of research and development, preclinical studies, clinical trials, manufacturing and the regulatory approval process for our current and potential future product candidates.

We expect our net losses to increase substantially as we:

- continue to advance our gene circuit platform technologies;
- continue preclinical development of our current and future product candidates and initiate additional preclinical studies;
- commence clinical trials of our current and future product candidates;
- acquire and in-license technologies aligned with our gene circuit platform technologies;
- seek regulatory approval of our current and future product candidates;
- expand our operational, financial, and management systems and increase personnel, including personnel to support our preclinical and clinical development, and commercialization efforts;
- continue to develop, maintain, expand, and defend our intellectual property portfolio; and
- incur additional legal, accounting, or other expenses in operating our business, including the additional costs associated with operating as a public company.

However, the amount of our future losses is uncertain. Our ability to achieve or sustain profitability, if ever, will depend on, among other things, successfully developing product candidates, obtaining regulatory approvals to market and commercialize product candidates, ensuring our product candidates are manufactured on commercially reasonable terms, entering into potential future alliances, establishing a sales and marketing organization or suitable third-party alternatives for any approved product and raising sufficient funds to finance business activities. If we, or our existing or potential future collaborators, are unable to commercialize one or more of our product candidates, or if sales revenue from any product candidate that receives approval is insufficient, we will not achieve or sustain profitability, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

We will need substantial additional funding. If we are unable to raise capital when needed on acceptable terms, or at all, we may be forced to restructure our business or delay, reduce, or terminate our research and product development programs, future commercialization efforts or other operations.

We will need substantial additional funds to advance development of product candidates and our gene circuit platform, and we cannot guarantee that we will have sufficient funds available in the future to develop and commercialize our current or potential future product candidates and technologies.

The development of biotechnology product candidates is capital-intensive. If any of our current or potential future product candidates enter and advance through preclinical studies and clinical trials, we will need substantial additional funds to expand our development, regulatory, marketing and sales capabilities. We have used substantial funds to develop our gene circuit platform, SENTI-202, SENTI-301A, SENTI-401 and other potential product candidates, and we will require significant funds to continue to develop our platform and conduct further research and development, including preclinical studies and clinical trials. In addition, we expect to incur significant additional costs associated with operating as a public company.

As of September 30, 2023, we had $39.4 million in cash, cash equivalents, and short-term investments. Our future capital requirements and the period for which our existing resources will support our operations may vary significantly from what we expect. Our monthly spending levels vary based on new and ongoing research and development and other corporate activities. Because the length of time and activities associated with successful research and development of platform technologies and product candidates is highly uncertain, we are unable to estimate the actual funds we will require for development and any approved marketing and commercialization activities. Our future capital requirements and the timing and amount of our operating expenditures will depend largely on:

- the timing and progress of preclinical and clinical development of our current and potential future product candidates;
- the timing and progress of our development of our gene circuit platforms;
- the number and scope of preclinical and clinical programs we decide to pursue;
- the terms of any third-party manufacturing contract or biomanufacturing partnership we may enter into;
- our ability to maintain our current licenses and collaborations, conduct our research and development programs and establish new strategic partnershi and collaborations;
- the progress of the development efforts of our existing strategic partners and third parties with whom we may in the future enter into collaboration an research and development agreements;
- the costs involved in obtaining, maintaining, enforcing and defending patents and other intellectual property rights;
- supply chain disruptions, global political and market conditions, and inflationary pressures on our business;
- the cost and timing of regulatory approvals; and
- our efforts to enhance operational systems and to hire and retain personnel, including personnel to support development of our product candidates an to satisfy our obligations as a public company.

To date, we have primarily financed our operations through the sale of equity securities. We may seek to raise any necessary additional capital through a combination of public or private equity offerings, debt financings, collaborations, strategic alliances, licensing arrangements, grants and other marketing and distribution arrangements. Any additional capital raising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize our current and future product candidates, if approved.

We cannot assure you that we will be successful in acquiring additional funding at levels sufficient to fund our operations or on terms acceptable to us, if at all. If we are unable to obtain adequate financing when needed, our business, financial condition and results of operations will be harmed, and we may need to significantly modify our operational plans, or else we may not be able to continue as a going concern beyond twelve months from the issuance date of this Form 10-Q. For example, in January 2023 we announced a strategic plan to focus internal resources on SENTI-202 and SENTI-401, to develop gene circuits for other programs with potential partners, and to suspend research and development efforts for SENTI-301A. In the future, we may have to delay, reduce the scope of or suspend one or more of our preclinical studies, clinical trials, research and development programs, or commercialization efforts. Further, if we are unable to continue as a going concern, we might have to liquidate our assets, and the values we receive for our assets in liquidation or dissolution could be significantly lower than the values reflected in our consolidated financial statements. Because of the numerous risks and uncertainties associated with the development and commercialization of our current and potential future product candidates and the extent to which we may enter into collaborations with third parties to participate in their development and commercialization, we are unable to estimate the amounts of increased capital outlays and operating expenditures associated with our current and anticipated preclinical studies and clinical trials, including related manufacturing costs.

To the extent that we raise additional capital through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our current and potential future product candidates, future revenue streams or research programs or grant licenses on terms that may not be favorable to us. If we do raise additional capital through public or private equity or convertible debt offerings, the ownership interest of our existing stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect our stockholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. Moreover, the issuance of additional securities by us, whether equity or debt, or the market perception that such issuances are likely to occur, could cause the market price of our common stock to decline.

We do not expect to realize revenue from product sales or royalties from licensed products for the foreseeable future, if at all, and unless and until our current and potential future product candidates are clinically tested, approved for commercialization and successfully marketed.

We identified a material weakness in our internal control over financial reporting. If our remediation of the material weakness is not effective, or if we experience additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls in the future, we may not be able to accurately report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of shares of our common stock.

Prior to the closing of the Merger, we were a private company with limited accounting personnel and other resources with which to address our internal control over financial reporting. In connection with our preparation and the audit of our consolidated financial statements as of and for the years ended December 31, 2021, we and our independent registered public accounting firm identified a material weakness, as defined under the Exchange Act and by the Public Company Accounting Oversight Board (United States), in our internal control over financial reporting. The material weakness related to a lack of sufficient and adequate resources in the finance and accounting function that resulted in a lack of formalized risk assessment process, lack of segregation of duties, and ineffective process level control activities over the management review of journal entries, account reconciliations and non-routine transactions.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our consolidated financial statements will not be prevented or detected on a timely basis.

We implemented a risk assessment process and measures designed to improve our internal control over financial reporting and remediate the control deficiencies that led to the material weakness, including hiring additional accounting personnel. However, the process of designing and implementing effective internal controls is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. Moreover, the rules governing the standards that must be met for our

management to assess our internal control over financial reporting are complex and require significant documentation, testing, and remediation. To maintain and improve the effectiveness of our financial reporting, we will need to commit significant resources, implement and strengthen existing disclosure processes controls, reporting systems, and procedures, train personnel and provide additional management oversight, all of which may divert attention away from other matters that are important to our business.

We cannot be certain that the measures we have taken to date, and actions we may take in the future, will be sufficient to remediate the control deficiencies that led to our material weakness in our internal control over financial reporting or that they will prevent or avoid potential future material weaknesses. In addition, an independent registered public accounting firm has not yet performed an evaluation of our internal control over financial reporting, though such an evaluation will be required when we lose our status as an "emerging growth company" and become an "accelerated filer" or a "large accelerated filer." When an evaluation by an independent registered public accounting firm is performed, such firm may issue a report that is qualified if it is not satisfied with our controls or the level at which our controls are documented, designed, operated, or reviewed.

Our testing, or the subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses. A material weakness in internal controls could result in our failure to detect a material misstatement of our annual or quarterly consolidated financial statements or disclosures. We may not be able to conclude on an ongoing basis that we have effective internal controls over financial reporting in accordance with Section 404. If we are unable to conclude that we have effective internal controls over financial reporting, investors could lose confidence in our reported financial information, which could have a material adverse effect on the trading price of the shares of our common stock.

We cannot be certain as to the timing of completion of our evaluation, testing and any remediation actions or the impact of the same on our operations. If we are unable to successfully remediate our existing or any future material weaknesses in our internal control over financial reporting, or identify any additional material weaknesses, the accuracy and timing of our financial reporting may be negatively impacted, we may be unable to maintain compliance with securities law requirements regarding timely filing of periodic reports in addition to applicable stock exchange listing requirements, investors may lose confidence in our financial reporting and our stock price may decline as a result. If we are not able to implement the requirements of Section 404 in a timely manner or with adequate compliance, our independent registered public accounting firm when required may issue an adverse opinion due to ineffective internal controls over financial reporting, and we may be subject to sanctions or investigation by regulatory authorities, such as the SEC. As a result, there could be a negative reaction in the financial markets due to a loss of confidence in the reliability of our consolidated financial statements. In addition, we may be required to incur costs in improving our internal control system and the hiring of additional personnel. Any such action could negatively affect our results of operations and cash flows.

Members of our management team have limited experience in managing the day-to-day operations of a public company and, as a result, we may incur additional expenses associated with the management of our company.

Members of our management team have limited experience in managing the day-to-day operations of a public company. As a result, we may need to obtain outside assistance from legal, accounting, investor relations, or other professionals that could be more costly than planned. These compliance costs will make some activities significantly more time-consuming and costly. If we lack cash resources to cover these costs in the future, our failure to comply with reporting requirements and other provisions of securities laws could negatively affect our stock price and adversely affect our potential results of operations, cash flow and financial condition.

Our ability to use net operating loss carryforwards (" NOLs") and credits to offset future taxable income may be subject to certain limitations.

Our NOLs could expire unused and be unavailable to offset future income tax liabilities because of their limited duration or because of restrictions under U.S. tax law. NOLs generated in taxable years beginning before January 1, 2018 are permitted to be carried forward for 20 taxable years under applicable U.S. federal income tax law. Under current U.S. federal income tax law, NOLs arising in tax years beginning after December 31, 2020 may not be carried back. Moreover, NOLs generated in taxable years beginning after December 31, 2017 may be carried forward indefinitely, but the deductibility of such NOLs generally will be limited in taxable years beginning after December 31, 2020 to 80% of current year taxable income. As of December 31, 2022, we had NOLs for U.S. federal

and state income tax purposes of approximately $100.3 million and $55.0 million, respectively, a portion of which expire beginning in 2036 if not utilized. NOLs for U.S. federal tax reporting purposes of approximately $96.8 million have an indefinite life.

In general, under Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"), a corporation that undergoes an "ownership change" (defined under Section 382 of the Code and applicable Treasury Regulations as a greater than 50 percentage point change (by value) in a corporation's equity ownership by certain stockholders over a rolling three-year period) is subject to limitations on its ability to utilize its pre-change NOLs to offset future taxable income. We have not determined whether our NOLs are limited under Section 382 of the Code. We may have experienced ownership changes in the past and may experience ownership changes in the future, including as a result of the Merger or subsequent shifts in our stock ownership (some of which are outside our control). Furthermore, our ability to utilize NOLs of companies that we may acquire in the future may be subject to limitations. There is also a risk that due to regulatory changes, such as suspensions on the use of NOLs or other unforeseen reasons, our existing NOLs could expire or otherwise be unavailable to reduce future income tax liabilities, including for state tax purposes. For these reasons, we may not be able to utilize a material portion of the NOLs reflected on our balance sheets, even if we attain profitability, which could potentially result in increased future tax liability to us and could adversely affect our operating results and financial condition.

Changes in tax law may adversely affect us or our investors.

The U.S. rules dealing with federal, state, and local taxation are constantly under review by those involved in the legislative process, as well as by the U.S. Treasury Department. Changes to tax laws, which may have retroactive application, could adversely affect us or holders of our common stock. For example, under Section 174 of the Code, in taxable years beginning after December 31, 2021, expenses that are incurred for research and development in the U.S. will be capitalized and amortized, which may have an adverse effect on our cash flow. In recent years, many such changes have been made and change 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 conditions, or results of operations. The existence, timing, and content of new tax laws are unpredictable, and could cause an increase in our or our shareholders' tax liability or require changes in the manner in which we operate in order to minimize or mitigate any adverse effects of changes in tax law. 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.

The sale or issuance of our common stock to GeneFab may cause significant dilution and the sale of the shares of common stock acquired by GeneFab, or the perception that such sales may occur, could cause the price of our common stock to fall.

Pursuant to an option under the transaction with GeneFab, GeneFab may choose to invest up to approximately $20 million to purchase up to 19,633,444 shares of our common stock, subject to certain limitations, including stockholder approval in certain circumstances and compliance with applicable law, for a period of 36 months after the option agreement effective date and following execution of a license agreement. The exercise of the option by GeneFab could result in a significant increase in the number of outstanding shares of our common stock and substantially dilute the ownership interest of our existing stockholders. In addition, we have agreed to register for resale these shares purchased by GeneFab under their option, subject to certain restrictions. If GeneFab chooses to sell its shares in the Company, the price of our shares could fluctuate based on the market price of the common stock during the period in which such sales occur. Additionally, the sale of a substantial number of shares of our common stock, or the anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect sales.

It is not possible to predict the number of shares of our common stock, if any, that we may sell to Chardan Capital Markets LLC, or Chardan, under our common stock Purchase Agreement, or the Purchase Agreement, with Chardan, or the actual gross proceeds resulting from those sales, or the dilution to our stockholders from those sales.

On August 31, 2022, we entered into the Purchase Agreement with Chardan, pursuant to which Chardan may purchase from us up to $50.0 million in shares of our common stock (the "Total Commitment"), upon the terms and subject to the conditions and limitations set forth in the Purchase Agreement. To date, we have sold $0.7 million in shares of our common stock to Chardan. The shares of our common stock that may be issued under the Purchase Agreement may be sold by us to Chardan at our discretion from time to time until the earliest to occur of (i) October

1, 2025, (ii) the date on which Chardan has purchased the Total Commitment pursuant to the Purchase Agreement, (iii) the date on which our common stock fails to be listed or quoted on Nasdaq or any successor market, and (iv) the date on which, pursuant to or within the meaning of any bankruptcy law, we commence a voluntary case or any person or entity commences a proceeding against us, a custodian is appointed for us or for all or substantially all of our property, or we make a general assignment for the benefit of our creditors.

We generally have the right to control the timing and amount of any sales of our common stock to Chardan under the Purchase Agreement. Sales of our common stock to Chardan under the Purchase Agreement will depend upon market conditions and other factors to be determined by us. We may ultimately decide to sell to Chardan all or some of the common stock that may be available for us to sell to Chardan pursuant to the Purchase Agreement. Accordingly, we cannot guarantee that we will be able to sell all of the Total Commitment or how much in proceeds we may obtain under the Purchase Agreement. If we cannot sell securities under the Purchase Agreement, we may be required to utilize more costly and time-consuming means of accessing the capital markets, which could have a material adverse effect on our liquidity and cash position.

Because the purchase price per share of common stock to be paid by Chardan for the common stock that we may elect to sell to Chardan under the Purchase Agreement will fluctuate based on the market prices of our common stock at the time we elect to sell shares to Chardan pursuant to the Purchase Agreement it is not possible for us to predict, as of the date of this Quarterly Report on Form 10-Q and prior to any such sales, the number of shares of common stock that we will sell to Chardan under the Purchase Agreement, the purchase price per share that Chardan will pay for shares of common stock purchased from us under the Purchase Agreement, or the aggregate gross proceeds that we will receive from those purchases by Chardan under the Purchase Agreement.

The actual number of shares of our common stock issuable will vary depending on the then current market price of shares of our common stock sold to Chardan and the number of shares of common stock we ultimately elect to sell to Chardan under the Purchase Agreement. If it becomes necessary for us to issue and sell to Chardan under the Purchase Agreement more than the 8,727,049 shares of common stock we registered pursuant to the Purchase Agreement, in order to receive aggregate gross proceeds equal to $50.0 million under the Purchase Agreement, we will have to file with the SEC one or more additional registration statements to register under the Securities Act the resale by Chardan of any such additional shares of common stock we wish to sell from time to time under the Purchase Agreement, which the SEC must declare effective, in each case before we may elect to sell any additional shares of our common stock under the Purchase Agreement. Under applicable Nasdaq rules, in no event may we issue to Chardan more than 19.99% of the total number of shares of common stock that were outstanding immediately prior to the execution of the Purchase Agreement, unless we obtain prior stockholder approval or if such approval is not required in accordance with the applicable Nasdaq rules. In addition, Chardan is not obligated to buy any common stock under the Purchase Agreement if such shares, when aggregated with all other shares of our common stock then beneficially owned by Chardan and its affiliates (as calculated pursuant to Section 13(d) of the Exchange Act and Rule 13d-3 promulgated thereunder), would result in Chardan beneficially owning common stock in excess of 4.99% of our outstanding shares of common stock. Our inability to access a portion or the full amount available under the Purchase Agreement, in the absence of any other financing sources, could have a material adverse effect on our business or results of operation.

Investors who buy common stock from Chardan at different times will likely pay different prices.

Pursuant to the Purchase Agreement, the timing, price and number of shares sold to Chardan will vary depending on when we choose to sell shares, if any, to Chardan. If and when we elect to sell any additional common stock to Chardan pursuant to the Purchase Agreement, after Chardan has acquired such common stock, Chardan may resell all, some or none of such shares at any time or from time to time in its sole discretion and at different prices. As a result, investors who purchase shares from Chardan at different times will likely pay different prices for those shares, and so may experience different levels of dilution and in some cases substantial dilution and different outcomes in their investment results. Investors may experience a decline in the value of the shares they purchase from Chardan as a result of future sales made by us to Chardan at prices lower than the prices such investors paid for their shares from Chardan.

The sale or issuance of shares of our common stock to Chardan will result in additional outstanding shares and the resale of shares of our common stock by Chardan that it acquires pursuant to the Purchase Agreement, or the perception that such sales may occur, could cause the price of shares of our common stock to decrease.

As of the date of this Form 10-Q, we have issued 400,000 shares of common stock to Chardan under the Purchase Agreement, including 100,000 shares issued to Chardan as consideration for its execution and delivery of the Purchase Agreement. The shares of common stock issuable under the Purchase Agreement may be sold by us to Chardan at our sole discretion, subject to the satisfaction of certain conditions in the Purchase Agreement, from time to time, until the earliest to occur of (i) October 1, 2025, (ii) the date on which Chardan has purchased the Total Commitment pursuant to the Purchase Agreement, (iii) the date on which our common stock fails to be listed or quoted on Nasdaq or any successor market, and (iv) the date on which, pursuant to or within the meaning of any bankruptcy law, we commence a voluntary case or any person or entity commences a proceeding against us, a custodian is appointed for us or for all or substantially all of our property, or we make a general assignment for the benefit of our creditors. The purchase price for shares of our common stock that we may sell to Chardan under the Purchase Agreement will fluctuate based on the trading price of shares of our common stock. Depending on market liquidity at the time, sales of shares of our common stock may cause the trading price of shares of our common stock to decrease. We generally have the right to control the timing and amount of any future sales of shares of our common stock to Chardan. Additional sales of shares of our common stock, if any, to Chardan will depend upon market conditions and other factors to be determined by us. We may ultimately decide to sell to Chardan all or some of the additional shares of our common stock that may be available for us to sell pursuant to the Purchase Agreement. If and when we do sell shares of our common stock to Chardan, after Chardan has acquired shares of our common stock, Chardan may resell all, some or none of such shares of common stock at any time or from time to time in its discretion. Therefore, sales to Chardan by us could result in substantial dilution to the interests of other holders of shares of our common stock. In addition, if we sell a substantial number of shares of our common stock to Chardan under the Purchase Agreement, or if investors expect that we will do so, the actual sales of shares of our common stock or the mere existence of our arrangement with Chardan may make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect such sales.

We may use our cash resources, including proceeds from sales of our common stock made pursuant to the Purchase Agreement in ways with which you may not agree or in ways which may not yield a significant return.

We have broad discretion over the use of capital we have raised, including proceeds from sales of our common stock made pursuant to the Purchase Agreement, and you will not have the opportunity, as part of any decision to invest in our common stock, to assess whether the proceeds are being used appropriately. Accordingly, you will have to rely on the judgment of our management with respect to the use of these funds, with only limited information regarding management's specific intentions. We may spend all or a portion of the net proceeds of our prior financing activities, including sales of our common stock under the Purchase Agreement, in ways that are not what our stockholders may desire or that may not yield favorable results. Because of the number and variability of factors that will determine our use of the net proceeds, their ultimate use may vary substantially from their currently intended use. The failure by us to apply these funds effectively could harm our business, and the net proceeds may be used for corporate purposes that do not increase our operating results or enhance the value of our common stock.

Adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults, or non-performance by financial institutions or transactional counterparties, could adversely affect the Company's current and projected business operations and its financial condition and results of operations.

Actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. For example, on March 10, 2023, Silicon Valley Bank ("SVB") was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation ("FDIC") as receiver. Similarly, on March 12, 2023, business day of closure, including funds held in uninsured deposit accounts, borrowers under credit agreements, letters of credit and certain other financial instruments with SVB, Signature Bank or any other financial institution that is placed into receivership by the FDIC may be unable to access undrawn amounts thereunder. As of September 30, 2023, we had two letters of credit held with SVB in an aggregate amount of $3.3 million related to our facility lease. Due to the receivership of SVB, we may be unable to access such funds. In addition, if any of our suppliers or other parties with whom we conduct business are unable to access funds pursuant to such instruments or lending arrangements with such a financial institution, such parties' ability to pay their obligations to us or to enter

into new commercial arrangements requiring additional payments to us could be adversely affected. In this regard, counterparties to SVB credit agreements and arrangements, and third parties such as beneficiaries of letters of credit (among others), may experience direct impacts from the closure of SVB and uncertainty remains over liquidity concerns in the broader financial services industry. Similar impacts have occurred in the past, such as during the 2008-2010 financial crisis.

Inflation and rapid increases in interest rates have led to a decline in the trading value of previously issued government securities with interest rates below current market interest rates. Although the U.S. Department of Treasury, FDIC and Federal Reserve Board have announced a program to provide up to $25 billion of loans to financial institutions secured by certain of such government securities held by financial institutions to mitigate the risk of potential losses on the sale of such instruments, widespread demands for customer withdrawals or other liquidity needs of financial institutions for immediately liquidity may exceed the capacity of such program. Additionally, there is no guarantee that the U.S. Department of Treasury, FDIC and Federal Reserve Board will provide access to uninsured funds in the future in the event of the closure of other banks or financial institutions, or that they would do so in a timely fashion.

Although we assess our banking relationships as we believe necessary or appropriate, our access to funding sources and other credit arrangements in amounts adequate to finance or capitalize our current and projected future business operations could be significantly impaired by factors that affect the Company, the financial institutions with which we have or may enter into credit agreements or arrangements directly, or the financial services industry or economy in general. These factors could include, among others, events such as liquidity constraints or failures, the ability to perform obligations under various types of financial, credit or liquidity agreements or arrangements, disruptions or instability in the financial services industry or financial markets, or concerns or negative expectations about the prospects for companies in the financial services industry. These factors could involve financial institutions with which we have or may enter into financial or business relationships, but could also include factors involving financial markets or the financial services industry generally.

The results of events or concerns that involve one or more of these factors could include a variety of material and adverse impacts on our current and projected business operations and our financial condition and results of operations. These could include, but may not be limited to, the following:

- Delayed access to deposits or other financial assets or the uninsured loss of deposits or other financial assets;
- Delayed or lost access to other working capital sources and/or delays, inability or reductions in our ability to enter into new credit facilities or access other working capital resources;
- Potential or actual breach of contractual obligations that require the Company to maintain letters of credit or other credit support arrangements;
- Potential or actual breach of financial covenants in any credit agreements or credit arrangements; or
- Potential or actual cross-defaults in other credit agreements, credit arrangements or operating or financing agreements.

In addition, investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. Any decline in available funding or access to our cash and liquidity resources could, among other risks, adversely impact our ability to meet our operating expenses, financial obligations or fulfill our other obligations, result in breaches of our financial and/or contractual obligations or result in violations of federal or state wage and hour laws and otherwise have a material adverse impact on our business.

Risks Related to the Development and Clinical Testing of Our Product Candidates

Our current product candidates are in preclinical development and have never been tested in humans. One or all of our current product candidates may fail in clinical development or suffer delays that materially and adversely affect their commercial viability.

We have no products on the market or that have gained regulatory approval or that have entered clinical trials. None of our product candidates has ever been tested in humans. Our ability to achieve and sustain profitability depends on obtaining regulatory approvals for and successfully commercializing product candidates, either alone or with collaborators.

Before obtaining regulatory approval for the commercial distribution of our product candidates, we or a collaborator must conduct extensive preclinical studies, followed by clinical trials to demonstrate the safety, purity and potency, or efficacy of our product candidates in humans. There is no guarantee that the FDA will permit us to conduct clinical trials. Further, we cannot be certain of the timely completion or outcome of our preclinical studies and cannot predict if the FDA or other regulatory authorities will accept our proposed clinical programs, our clinical protocols or if the outcome of our preclinical studies will ultimately support the further development of our preclinical programs or testing in humans. As a result, we cannot be sure that we will be able to submit IND or similar applications for our proposed clinical programs on the timelines we expect, if at all, and we cannot be sure that submission of INDs or similar applications will result in the FDA or other regulatory authorities allowing clinical trials for any of our product candidates to begin.

Our current product candidates are in preclinical development and we are subject to the risks of failure inherent in the development of product candidates based on novel approaches, targets and mechanisms of action. Although we anticipate initiating clinical trials for our lead product candidates, there is no guarantee that we will be able to proceed with clinical development of any of these product candidates or that any product candidate will demonstrate a clinical benefit once we advance these candidates to testing in patients. Accordingly, you should consider our prospects in light of the costs, uncertainties, delays and difficulties frequently encountered by preclinical stage biotechnology companies such as ours.

We may not be able to access the financial resources to continue development of, or to enter into any collaborations for, any of our current or potential future product candidates. This may be exacerbated if we experience any issues that delay or prevent regulatory approval of, or our ability to commercialize, a product candidate, such as:

- negative or inconclusive results from our preclinical studies or clinical trials or the clinical trials of others for product candidates similar to ours, leadi to a decision or requirement to conduct additional preclinical studies or clinical trials or abandon any or all of our programs;
- adverse events experienced by participants in our clinical trials or by individuals using therapeutics similar to our product candidates;
- delays in submitting INDs or comparable foreign applications, or delays or failures to obtain the necessary approvals from regulatory authorities to commence a clinical trial, or a suspension or termination of a clinical trial once commenced;
- conditions imposed by the FDA or other regulatory authorities regarding the scope or design of our clinical trials;
- delays in enrolling research subjects in clinical trials;
- high drop-out rates of research subjects;

- inadequate supply or quality of product candidate components or materials or other supplies necessary for the conduct of our clinical trials;
- conditioning patients with fludarabine in advance of administering our product candidates, which may be difficult to source, costly, or increase the ris of infections and other adverse side effects;
- chemistry, manufacturing and control ("CMC") challenges associated with manufacturing and scaling up biologic product candidates to ensure consistent quality, stability, purity and potency among different batches used in clinical trials;
- greater-than-anticipated clinical trial costs;
- poor potency or effectiveness of our product candidates during clinical trials;
- unfavorable FDA or other regulatory authority inspection and review of a clinical trial or manufacturing site;
- delays as a result of a pandemic or other public health emergency, or events associated with a pandemic or other health emergency;
- failure of our third-party contractors or investigators to comply with regulatory requirements or otherwise meet their contractual obligations in a time manner, or at all;
- delays and changes in regulatory requirements, policies and guidelines; or
- the FDA or other regulatory authorities interpreting our data differently than we do.

Further, we and any existing or potential future collaborator may never receive approval to market and commercialize any product candidate. Even if we or any existing or potential future collaborator obtains regulatory approval, the approval may be for targets, disease indications or patient populations that are not as broad as we intended or desired or may require labeling that includes significant use or distribution restrictions or safety warnings. We or an existing or potential future collaborator may also be subject to post-marketing testing requirements to maintain regulatory approval.

If any of our current or potential future product candidates is ever tested in humans, it may not demonstrate the safety, purity and potency, or efficacy, necessary to become approvable or commercially viable.

None of our current product candidates have ever been tested in humans. We may ultimately discover that our current product candidates do not possess certain properties that we believe are helpful for therapeutic effectiveness and safety or would otherwise support the submission of an IND on the timelines we expect, or at all. We do not know if the observations we have made regarding our gene circuits generally and our product candidates in particular will translate into any clinical response when tested in humans. As an example, while the Tumor-Associated Antigen ("TAA") CD33 has been clinically validated as a target for an approved antibody-drug conjugate therapy, it has not been clinically validated as a target for CAR-NK or CAR-T therapies, and may not prove to be a clinically sufficient target for the CAR-NK therapies we are developing. As a result of these uncertainties related to our gene circuit platform technologies and our product candidates, we may never succeed in developing a marketable product based on our current product candidates. If any of our current or potential future product candidates prove to be ineffective, unsafe or commercially unviable, our entire pipeline could have little, if any, value, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our gene circuit platform technologies are based on novel technologies that are unproven and may not result in approvable or marketable products, which exposes us to unforeseen risks and makes it difficult for us to predict the time and cost of product development and potential for regulatory approval.

We are seeking to identify and develop a broad pipeline of product candidates using our gene circuit platform technologies. The scientific research that forms the basis of our efforts to develop product candidates with our platforms is still ongoing. We are not aware of any FDA approved therapeutics utilizing similar technologies as ours. Further, the scientific evidence to support the feasibility of developing therapeutic treatments based on our platform technologies is preliminary. As a result, we are exposed to a number of unforeseen risks and it is difficult to predict the types of challenges and risks that we may encounter during development of our product candidates. For example, we have not tested any of our current product candidates in humans, and our current data is limited to animal models and preclinical cell lines, the results of which may not translate into humans. Further, relevant animal models and assays may not accurately predict the safety and efficacy of our product candidates in humans, and we may encounter significant challenges creating appropriate models and assays for demonstrating the safety and efficacy of our product candidates. In addition, our gene circuit technologies have potential safety risks.

Given the novelty of our technologies, we intend to work closely with the FDA and comparable foreign regulatory authorities to evaluate our proposed approaches to obtain regulatory approval for our product candidates; however, due to a lack of comparable experiences, the regulatory pathway with the FDA and comparable regulatory authorities may be more complex and time-consuming relative to other more well-known therapeutics. Even if we obtain human data to support our product candidates, the FDA or comparable foreign regulatory agencies may lack experience in evaluating the safety and efficacy of our product candidates developed using our platforms, which could result in a longer than expected regulatory review process, increase our expected development costs, and delay or prevent commercialization of our product candidates. The validation process takes time and resources, may require independent third-party analyses, and may not be accepted or approved by the FDA and comparable foreign regulatory authorities. We cannot be certain that our approach will lead to the development of approvable or marketable products, alone or in combination with other therapies.

The occurrence of serious complications or side effects in connection with the use of our product candidates, either in clinical trials or post-approval, could lead to discontinuation of our clinical development programs, refusal of regulatory authorities to approve our product candidates, or, post-approval, revocation of marketing authorizations or refusal to approve applications for new indications, which could severely harm our business, prospects, operating results, and financial condition.

Undesirable side effects caused by any of our current or potential future product candidates could cause regulatory authorities to interrupt, delay, or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other regulatory authorities. While we have not yet initiated clinical trials for SENTI-202, SENTI-404, or any other product candidate, it is likely that there will be side effects associated with their use. Results of our clinical trials could reveal a high and unacceptable severity and prevalence of these side effects. For example, if the NOT GATE gene circuit, engineered into one of our product candidates, such as SENTI-202, does not provide a clinically sufficient level of inhibition, it may kill healthy cells that it has been designed to preserve or may cause systemic immune cytotoxicity. It is possible that safety events or concerns such as these or others could negatively affect the development of our product candidates, including adversely impacting patient enrollment among the patient populations that we intend to treat. In such an event, our trials could be suspended or terminated, and the FDA or other regulatory authorities could order us to cease further development of or deny approval of a product candidate for any or all targeted indications. Such side effects could also affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. To date, we have not observed any such effects in our preclinical studies, but there can be no guarantee that our current or future product candidates will not cause such effects in clinical trials. Any of these occurrences may materially and adversely impact our business and financial condition and impair our ability to generate revenues.

Further, clinical trials by their nature utilize a sample of the potential patient population. With a limited number of patients and limited duration of exposure, rare and severe side effects of a product candidate may only be uncovered when a significantly large number of patients are exposed to the product candidate or when patients are exposed for a longer period of time.

In the event that any of our current or potential future product candidates receives regulatory approval and we or others identify undesirable side effects caused by one of these products, any of the following events could occur, which could result in the loss of significant revenue to us and materially and adversely impact our results of operations and business:

- regulatory authorities may withdraw their approval of the product or seize the product;
- we may be required to recall the product or change the way the product is administered to patients;
- additional restrictions may be imposed on the marketing 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 civil or criminal penalties;
- regulatory authorities may require the addition of labeling statements, such as a “black box” warning or a contraindication;
- we may be required to create a medication guide outlining the risks of such side effects for distribution to patients;
- we could be sued and held liable for harm caused to patients;
- the product may become less competitive; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the particular product candidate, if approved, and could significantly harm our business, results of operations, and prospects.

We may not be successful in our efforts to use and expand our gene circuit platform to expand our pipeline of product candidates.

A key element of our strategy is to use and advance our gene circuit platform to design, test and build our portfolio of product candidates focused on allogeneic gene circuit-equipped CAR-NK cell therapies for the treatment of cancer. Although our research and development efforts to date have resulted in our discovery and preclinical development of SENTI-202, SENTI-401 and other potential product candidates, none of these product candidates has advanced to clinical development. We cannot assure you that any of our existing product candidates will advance to clinical trials or, if they do, that such trials will demonstrate these product candidates to be safe or effective therapeutics, and we may not be able to successfully develop any product candidates. Even if we are successful in expanding our pipeline of product candidates, any additional product candidates that we identify may not be suitable for clinical development or generate acceptable clinical data, including as a result of being shown to have unacceptable effects or other characteristics that indicate that they are unlikely to be products that will receive marketing approval from the FDA or other regulatory authorities or achieve market acceptance. If we do not successfully develop and commercialize product candidates, we will not be able to generate product revenue in the future.

Although we intend to explore other therapeutic opportunities in addition to the product candidates that we are currently developing, we may fail to identify viable new product candidates for clinical development for a number of reasons. If we fail to identify additional potential product candidates, our business could be materially harmed.

Although a substantial amount of our efforts will focus on the planned clinical trials and potential approval of the current and potential future product candidates we are evaluating, a key element of our strategy is to discover, develop, and globally commercialize additional targeted therapies beyond our current product candidates to treat various conditions and in a variety of therapeutic areas. Even if we identify investigational therapies that initially show promise, we may fail to successfully develop and commercialize such products for many reasons, including the following:

- the research methodology used may not be successful in identifying potential investigational therapies;
- competitors may develop alternatives that render our investigational therapies obsolete;
- investigational therapies we develop may nevertheless be covered by third parties' patents or other exclusive rights;
- an investigational therapy may, on further study, be shown to have harmful side effects or other characteristics that indicate it is unlikely to be effectiv or otherwise does not meet applicable regulatory criteria;
- it may take greater human and financial resources than we will possess to identify additional therapeutic opportunities for our product candidates or t develop suitable potential product candidates through internal research programs, thereby limiting our ability to develop, diversify and expand our product portfolio;
- an investigational therapy may not be capable of being produced in clinical or commercial quantities at an acceptable cost, or at all; and
- an approved product may not be accepted as safe and effective by trial participants, the medical community or third-party payors.

Identifying new investigational therapies requires substantial technical, financial and human resources, whether or not any investigational therapies are ultimately identified. Because we have limited financial and human resources, we may initially focus on research programs and product candidates for a limited set of indications. As a result, we may forgo or delay pursuit of opportunities with other product candidates or for other indications that later prove to have greater commercial potential or a greater likelihood of success. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. For example, if we do not accurately evaluate the commercial potential or target market for a particular product candidate or technology, we may relinquish valuable rights to that product candidate or technology through collaborations, 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 or technology.

Accordingly, there can be no assurance that we will ever be able to identify additional therapeutic opportunities for our product candidates or to develop suitable potential product candidates through internal research programs, which could materially adversely affect our future growth and prospects. We may focus our efforts and resources on potential product candidates or other potential programs that ultimately prove to be unsuccessful.

The market, physicians, patients, regulators and potential investors may not be receptive to our current or potential future product candidates and may be skeptical of the viability and benefits of our gene circuit pipeline technology because it is based on a relatively novel and complex technology.

The market, physicians, patients, regulators and potential investors, may be skeptical of the viability and benefits of our gene circuit pipeline technology or our product candidates because they are based on a relatively novel and complex technology and there can be no assurance that our product candidates or platform technologies will be understood, approved, or accepted. If potential investors are skeptical of the success of our pipeline products, our ability to raise capital and the value of our stock may be adversely affected. If physicians, patients, or regulators do not understand or accept our gene circuit platform technologies or our product candidates, we may be delayed in or unable to develop our product candidates.

Even if regulatory approval is obtained for a product candidate, including SENTI-202 or SENTI-401, we may not generate or sustain revenue from sales of approved products. Market acceptance of our gene circuit platform

technologies and our current and potential future product candidates, if approved, will depend on, among other factors:

- the timing of our receipt of any marketing and commercialization approvals;
- the terms of any approvals and the countries in which approvals are obtained;
- the safety and efficacy of our product candidates and gene circuit technologies in general;
- the prevalence and severity of any adverse side effects associated with our product candidates;
- limitations or warnings contained in any labeling approved by the FDA or other regulatory authority;
- relative convenience and ease of administration of our product candidates;
- the success of our physician education programs;
- the availability of coverage and adequate government and third-party payor reimbursement;
- the pricing of our products, particularly as compared to alternative treatments; and
- availability of alternative effective treatments for the disease indications our product candidates are intended to treat and the relative risks, benefits an costs of those treatments.

If any product candidate we commercialize fails to achieve market acceptance, it could have a material adverse impact on our business, financial condition, results of operations, and prospects.

While we believe our pipeline will yield multiple INDs, we may not be able to file INDs to commence clinical trials on the timelines we expect, and even if we are able to, the FDA may not permit us to proceed.

We expect our pipeline to yield multiple INDs beginning as early as 2023, including an IND for SENTI-202. We cannot be sure that submission of an IND will result in the FDA allowing testing and clinical trials to begin, or that, once begun, issues will not arise that suspend or terminate such clinical trials. The manufacturing of our product candidates, including SENTI-202 and SENTI-401, remains an emerging and evolving field. Accordingly, we expect chemistry, manufacturing and control related topics, including product specifications, will be a focus of IND reviews, which may delay the clearance of INDs. Additionally, even if such regulatory authorities agree with the design and implementation of the clinical trials set forth in an IND or clinical trial application, we cannot guarantee that such regulatory authorities will not change their requirements in the future.

In addition to the submission of an IND to the FDA before initiation of a clinical trial in the United States, certain human clinical trials involving recombinant or synthetic nucleic acid molecules are subject to oversight of institutional biosafety committees (“IBCs”), as set forth in the National Institutes of Health (“NIH”), Guidelines for Research Involving Recombinant or Synthetic Nucleic Acid Molecules, NIH Guidelines. Under the NIH Guidelines, recombinant and synthetic nucleic acids are defined as: (i) molecules that are constructed by joining nucleic acid molecules and that can replicate in a living cell (i.e., recombinant nucleic acids); (ii) nucleic acid molecules that are chemically or by other means synthesized or amplified, including those that are chemically or otherwise modified but can base pair with naturally occurring nucleic acid molecules (i.e., synthetic nucleic acids); or (iii) molecules that result from the replication of those described in (i) or (ii). Specifically, under the NIH Guidelines, supervision of human gene transfer trials includes evaluation and assessment by an IBC, a local institutional committee that reviews and oversees research utilizing recombinant or synthetic nucleic acid molecules at that institution. The IBC assesses the safety of the research and identifies any potential risk to public health or the environment, and such review may result in some delay before initiation of a clinical trial. While the NIH Guidelines are not mandatory

unless the research in question is being conducted at or sponsored by institutions receiving NIH funding of recombinant or synthetic nucleic acid molecule research, many companies and other institutions not otherwise subject to the NIH Guidelines voluntarily follow them.

Interim, topline and preliminary data that we announce or publish from time to time for any clinical trials that we initiate may change as more patient data become available or as additional analyses are conducted, and as the data 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 interim, 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 trial. We also make assumptions, estimates, 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 interim, preliminary or topline results that we report may differ from future results of the same trials, 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, preliminary or topline data from our clinical studies. Interim, topline or preliminary 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. Adverse differences between preliminary, topline or interim data and final data could significantly harm our business prospects.

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 the value of 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 the material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product, product candidate or our business. If the topline 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 and our collaborators may not achieve projected discovery and development milestones and other anticipated key events in the time frames that we or they announce, which could have an adverse impact on our business and could cause our stock price to decline.

From time to time, we expect that we will make public statements regarding the expected timing of certain milestones and key events, such as the commencement and completion of preclinical and IND-enabling studies in our own internally-developed programs or in our product candidate discovery programs with collaborators, as well as the submission and clearance of INDs and the commencement and completion of planned clinical trials in those programs. The actual timing of these events can vary dramatically due to a number of factors such as delays or failures in our or any future collaborators' product candidate discovery and development programs, the amount of time, effort and resources committed by us and any future collaborators, and the numerous uncertainties inherent in the development of therapies. As a result, there can be no assurance that our or any future collaborators' programs will advance or be completed in the time frames we or they announce or expect. If we or any collaborators fail to achieve one or more of these milestones or other key events as planned, our business could be materially adversely affected, and the price of our common stock could decline.

Clinical trials are expensive, time-consuming and difficult to design and implement.

Human clinical trials are expensive and difficult to design and implement, in part because they are subject to rigorous regulatory requirements. Because our current and potential future product candidates are based on new technologies and discovery approaches, we expect that they will require extensive research and development and have substantial manufacturing and processing costs. In addition, the FDA or other regulatory authorities may require us to perform additional testing before commencing clinical trials and be hesitant to allow us to enroll

patients impacted with our targeted disease indications in our future clinical trials. If we are unable to enroll patients impacted by our targeted disease indications in our future clinical trials, we would be delayed in obtaining potential proof-of-concept data in humans, which could extend our development timelines. In addition, costs to treat patients and to treat potential side effects that may result from our product candidates may be significant. Accordingly, our clinical trial costs are likely to be high and could have a material adverse effect on our business, financial condition, results of operations and prospects.

If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

We may not be able to initiate or continue any clinical trials for our current or potential future product candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials as required by the FDA or other regulatory authorities. We cannot predict how difficult it will be to enroll patients for trials in the indications we are studying. We may experience difficulties in patient enrollment in our clinical trials for a variety of reasons. The enrollment of patients depends on many factors, including:

- the severity of the disease under investigation;
- the patient eligibility criteria defined in the clinical trial protocol;
- the size of the patient population required for analysis of the trial's primary endpoints;
- the proximity and availability of clinical trial sites for prospective patients;
- willingness of physicians to refer their patients to our clinical trials;
- our ability to recruit clinical trial investigators with the appropriate competencies and experience;
- clinicians' and patients' perceptions as to the potential risks and benefits of the product candidate being studied in relation to other available therapies including any new drugs that may be approved for the indications we are investigating;
- our ability to obtain and maintain patient informed consents;
- patient eligibility and exclusion criteria for the trials;
- ability to monitor patients adequately during and after treatment;
- the risk that patients enrolled in clinical trials will drop out of the trials before completion; and
- factors we may not be able to control, such as potential pandemics that may limit the availability of patients, principal investigators or staff or clinical sites to participate in our clinical trials.

In addition, our future clinical trials will compete with other clinical trials for product candidates that are in the same therapeutic areas as our product candidates, and this competition will reduce the number and types of patients available to us, because some patients who might have opted to enroll in our trials may instead opt to enroll in a trial being conducted by one of our competitors. Since the number of qualified clinical investigators is limited, we expect to conduct some of our clinical trials at the same clinical trial sites that some of our competitors use, which will reduce the number of patients who are available for our clinical trials at such clinical trial sites. Additionally, because some of our clinical trials will be in patients with advanced disease who may experience disease progression

or adverse events independent from our product candidates, such patients may be unevaluable for purposes of the trial and, as a result, we may require additional enrollment. Delays in patient enrollment may result in increased costs or may affect the timing or outcome of the planned clinical trials, which could prevent completion of these trials and adversely affect our ability to advance the development of our product candidates.

If clinical trials for our product candidates are prolonged, delayed or stopped, we may be unable to seek or obtain regulatory approval and commercialize our product candidates on a timely basis, or at all, which would require us to incur additional costs and delay our receipt of any product revenue.

We may experience delays in our ongoing or future preclinical studies or clinical trials, and we do not know whether future preclinical studies or clinical trials will begin on time, need to be redesigned, enroll an adequate number of patients on time or be completed on schedule, if at all. The commencement or completion of these clinical trials could be substantially delayed or prevented by many factors, including:

- further discussions with the FDA or comparable foreign regulatory authorities regarding the scope or design of our clinical trials, including the endpo measures required for regulatory approval and our statistical plan;
- the limited number of, and competition for, suitable study sites and investigators to conduct our clinical trials, many of which may already be engage in other clinical trial programs with similar patients, including some that may be for the same indications as our product candidates;
- any delay or failure to obtain timely approval or agreement to commence a clinical trial in any of the countries where enrollment is planned;
- inability to obtain sufficient funds required for a clinical trial;
- clinical holds on, or other regulatory objections to, a new or ongoing clinical trial;
- delay or failure to manufacture sufficient quantities or inability to produce quantities of consistent quality, purity and potency of the product candidat for our clinical trials;
- delay or failure to reach agreement on acceptable clinical trial agreement terms or clinical trial protocols with prospective sites or CROs, the terms of which can be subject to extensive negotiation and may vary significantly among different sites or CROs;
- delay or failure to obtain institutional review board (“IRB”) or ethics committee approval to conduct a clinical trial at a prospective site;
- the FDA or other comparable foreign regulatory authorities may require us to submit additional data or impose other requirements before permitting u to initiate a clinical trial;
- slower than expected rates of patient recruitment and enrollment;
- failure of patients to complete the clinical trial;
- the inability to enroll a sufficient number of patients in studies to ensure adequate statistical power to detect statistically significant treatment effects;
- unforeseen safety issues, including severe or unexpected drug-related adverse events experienced by patients, including possible deaths;

- lack of efficacy or failure to measure a statistically significant clinical benefit within the dose range with an acceptable safety margin during clinical trials;
- termination of our clinical trials by one or more clinical trial sites;
- inability or unwillingness of patients or clinical investigators to follow our clinical trial protocols;
- inability to monitor patients adequately during or after treatment by us or our CROs;
- our CROs or clinical trial sites failing to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all, deviating from the protocol or dropping out of a study;
- inability to address any noncompliance with regulatory requirements or safety concerns that arise during the course of a clinical trial;
- the impact of, and delays related to, health epidemics such as the COVID-19 pandemic;
- the need to suspend, repeat or terminate clinical trials as a result of non-compliance with regulatory requirements, inconclusive or negative results or unforeseen complications in testing; and
- the suspension or termination of our clinical trials upon a breach or pursuant to the terms of any agreement with, or for any other reason by, any futur strategic collaborator that has responsibility for the clinical development of any of our product candidates.

Changes in regulatory requirements, policies and guidelines may also occur and we may need to significantly modify our clinical development plans to reflect these changes with appropriate regulatory authorities. These changes may require us to renegotiate terms with CROs or resubmit clinical trial protocols to IRBs for re-examination, which may impact the costs, timing or successful completion of a clinical trial. Our clinical trials may be suspended or terminated at any time by us, the FDA, other regulatory authorities, the IRB overseeing the clinical trial at issue, any of our clinical trial sites with respect to that site, or us.

Any failure or significant delay in commencing or completing clinical trials for our product candidates, any failure to obtain positive results from clinical trials, any safety concerns related to our product candidates, or any requirement to conduct additional clinical trials or other testing of our product candidates beyond those that we currently contemplate would adversely affect our ability to obtain regulatory approval and our commercial prospects and ability to generate product revenue will be diminished.

If we decide to seek orphan drug designation for one or more of our product candidates, we may be unsuccessful or may be unable to maintain the benefits associated with orphan drug designation for our current or future product candidates that we may develop.

Under the Orphan Drug Act, the FDA may designate a product candidate as an orphan drug if it is a drug or biologic product intended to treat a rare disease or condition, which is generally defined as a patient population of fewer than 200,000 individuals annually in the United States, or where there is no reasonable expectation that the cost of developing the product will be recovered from sales in the United States. We may seek orphan drug designation for certain indications for our product candidates in the future. Orphan drug designation neither shortens the development time or regulatory review time of a drug nor gives the drug any advantage in the regulatory review or approval process. Orphan drug designation can entitle a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and user-fee waivers.

In addition, if a product candidate with an orphan drug designation 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 drug for the same indication for seven years. The FDA may reduce the seven-year exclusivity if the same drug from a competitor demonstrates clinical superiority to the product with orphan exclusivity or if the FDA finds that the holder of the orphan exclusivity has not shown that it can assure the availability of sufficient quantities of the orphan product to meet the needs of patients with the disease or condition for which the drug was designated. Even if one of our product candidates receives orphan exclusivity, the FDA can still approve other drugs that have a different active ingredient for use in treating the same indication or disease.

In addition, exclusive marketing rights in the United States may be limited if we seek approval for an indication broader than the orphan-designated indication or may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition. Further, even if we obtain orphan drug exclusivity for a product, that exclusivity may not effectively protect the product from competition because different drugs with different active moieties can be approved for the same condition, and while we may seek orphan drug designation for our product candidates, we may never receive such designations. In addition, the FDA may 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.

We may not be able to conduct, or contract with others to conduct, animal testing in the future, which could harm our research and development activities.

Certain laws and regulations relating to drug development require us to test our product candidates on animals before initiating clinical trials involving humans. Animal testing activities have been the subject of controversy and adverse publicity. Animal rights groups and other organizations and individuals have attempted to stop animal testing activities by pressing for legislation and regulation in these areas and by disrupting these activities through protests and other means. To the extent the activities of these groups are successful, our research and development activities may be interrupted or delayed.

Risks Related to Third Parties

There can be no assurance that we will achieve all of the anticipated benefits of the transaction with GeneFab and we could face unanticipated challenges.

We may not realize some or all of the anticipated benefits from the transaction with GeneFab and we may encounter post-closing risks. We may experience increased difficulty and loss of institutional knowledge if the employees to we expect to transfer to GeneFab do not accept their offers of employment, which could harm our business. Moreover, the transition to a new company may require significant time and resources from the employees of GeneFab, which may disrupt GeneFab's business and distract management from other responsibilities, which may then result failure to achieve anticipated manufacturing production, which could adversely affect our timelines for our clinical trials and financial results.

We rely on third parties to conduct our preclinical studies, and plan to rely on third parties to conduct clinical trials, and those third parties may not perform satisfactorily.

We expect to rely on third-party clinical investigators, CROs, clinical data management organizations and consultants to design, conduct, supervise and monitor certain preclinical studies and any clinical trials. Because we intend to rely on these third parties and will not have the ability to conduct certain preclinical studies or clinical trials independently, we will have less control over the timing, quality and other aspects of such preclinical studies and clinical trials than we would have had we conducted them on our own. These investigators, CROs and consultants will not be our employees and we will have limited control over the amount of time and resources that they dedicate to our programs. Some of these third parties may terminate their engagements with us at any time. We also expect to have to negotiate budgets and contracts with CROs, clinical trial sites and contract manufacturing organizations and we may not be able to do so on favorable terms, which may result in delays to our development timelines and increased costs. If we need to enter into alternative arrangements with, or replace or add any third parties, it would involve substantial cost and require extensive management time and focus, or involve a transition period, and may delay our drug development activities, as well as materially impact our ability to meet our desired clinical

development timelines. These third parties may have contractual relationships with other entities, some of which may be our competitors, which may draw time and resources from our programs. The third parties with which we may contract might not be diligent, careful or timely in conducting our preclinical studies or clinical trials, resulting in the preclinical studies or clinical trials being delayed or unsuccessful.

Despite our reliance on third parties, we will ultimately be responsible for ensuring that each of our studies and trials is conducted in accordance with applicable protocol, legal and regulatory requirements and scientific standards, including good laboratory practice, or GLP, good clinical practice, or GCP, cGMP, and cGTP. For example, we will remain responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols for the trial. Moreover, the FDA and other regulatory authorities require us to comply with GCP standards, regulations for conducting, recording and reporting the results of clinical trials to assure that data and reported results are reliable and accurate and that the rights, integrity and confidentiality of trial participants are protected. Regulatory authorities enforce these GCP requirements through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of our CROs, clinical sites and investigators fail to comply with applicable GCP requirements, the clinical data generated in our clinical trials may be deemed unreliable and the FDA, European Medicines Agency, or EMA, or other regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. There can be no assurance that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials substantially comply with GCP regulations. In addition, our clinical trials must be conducted with product candidates produced under cGMP regulations and will require a large number of test patients. Our failure or any failure by these third parties to comply with these regulations or to recruit a sufficient number of patients, may require us to repeat clinical trials, which would delay the regulatory approval process. Moreover, our business may be implicated if any of these third parties violates FDA regulatory requirements as well as federal or state healthcare laws and regulations or healthcare privacy and security laws.

If third parties do not successfully carry out their contractual duties, meet expected deadlines or conduct our clinical trials in accordance with regulatory requirements or our stated protocols, or if these third parties need to be replaced, we will not be able to obtain, or may be delayed in obtaining, marketing approvals for our product candidates and will not be able to, or may be delayed in our efforts to, successfully commercialize our product candidates. As a result, our financial results and the commercial prospects for our product candidates would be harmed, our costs could increase and our ability to generate revenue could be delayed.

We depend on strategic partnerships and collaboration arrangements, such as our collaboration arrangements with Spark Therapeutics, Inc., or Spark, and BlueRock Therapeutics, Inc., or BlueRock, for the application of our gene circuit platform technology to the development and commercialization of potential product candidates in certain indications, and if these arrangements are unsuccessful, this could impair our ability to generate revenues and materially harm our results of operations.

Our business strategy for exploiting the potential of our gene circuit platform technology is dependent upon maintaining our current arrangements and establishing new arrangements with strategic partners, research collaborators and other third parties. We currently have collaboration agreements with Spark and BlueRock. These collaboration agreements provide for, among other things, research funding and significant future payments should certain development, regulatory and commercial milestones be achieved. Under these arrangements, our collaborators are typically responsible for:

- electing to advance product candidates through preclinical and into clinical development;
- conducting clinical development and obtaining required regulatory approvals for product candidates; and
- commercializing any resulting products.

As a result, we may not be able to conduct these collaborations in the manner or on the time schedule we currently contemplate, which may negatively impact our business operations.

Additionally, the development and commercialization of potential product candidates under our collaboration agreements could be substantially delayed, and our ability to receive future funding could be substantially impaired if one or more of our collaborators:

- shifts its priorities and resources away from our collaborations due to a change in business strategies, or a merger, acquisition, sale or downsizing of i company or business unit;
- ceases development in therapeutic areas which are the subject of our collaboration;
- fails to select a product candidate for advancement into preclinical development, clinical development, or subsequent clinical development into a marketed product;
- changes the success criteria for a particular product candidate, thereby delaying or ceasing development of such product candidate;
- significantly delays the initiation or conduct of certain activities which could delay our receipt of milestone payments tied to such activities, thereby impacting our ability to fund our own activities;
- develops a product candidate that competes, either directly or indirectly, with our product candidates;
- does not obtain the requisite regulatory approval of a product candidate;
- does not successfully commercialize a product candidate;
- encounters regulatory, resource or quality issues and is unable to meet demand requirements;
- exercises its rights under the agreement to terminate the collaboration, or otherwise withdraws support for, or otherwise impairs development under tl collaboration;
- disagrees on the research, development or commercialization of a product candidate resulting in a delay in milestones, royalty payments or terminatic of research and development activities for such product candidate; and
- uses our proprietary information or intellectual property in such a way as to jeopardize our rights in such property.

In addition, the termination of our existing collaborations or any future strategic partnership or collaboration arrangement that we enter into may prevent us from receiving any milestone, royalty payment, sharing of profits, and other benefits under such agreement. Furthermore, disagreements with these parties could require or result in litigation or arbitration, which would be time-consuming and expensive. Any of these events could have a material adverse effect on our ability to develop and commercialize any of our product candidates and may adversely impact our business, prospects, financial condition, and results of operations.

We may not be able to enter into additional strategic transactions on acceptable terms, if at all, which could adversely affect our ability to develop and commercialize current and potential future product candidates and technologies, impact our cash position, increase our expenses and present significant distractions to our management.

From time to time, we consider strategic transactions, such as collaborations, regional partnerships for the co-development and/or co-commercialization of our product candidates in selected territories, acquisitions of companies, asset purchases, joint ventures, out- or in-licensing of product candidates or technologies and partnerships involving our gene circuit platform technology. For example, we will evaluate and, if strategically

attractive, seek to enter into collaborations, including with biotechnology or biopharmaceutical companies, contract development manufacturing organizations or hospitals. On November 6, we announced that we had entered a strategic collaboration with Celest Therapeutics (Shanghai) Co. Ltd ("Celest") for the clinical development of SENTI-301 to treat solid tumors in China. The competition for collaborators is intense, and the negotiation process is time-consuming and complex. If we are not able to enter into strategic transactions, or if we fail to realize a benefit from the collaboration with Celest or from a transaction with a different organization, we may not have access to required liquidity or expertise to further develop our potential future product candidates or our gene circuit platform. Any such collaboration, or other strategic transaction, may require us to incur non-recurring or other charges, increase our near- and long-term expenditures and pose significant integration or implementation challenges or disrupt our management or business.

We also may acquire additional technologies and assets, form strategic alliances or create joint ventures with third parties that we believe will complement or augment our existing business, but we may not be able to realize the benefit of acquiring such assets. Conversely, any new collaboration that we do enter into may be on terms that are not optimal for us, our product candidates or our technologies. These transactions would entail numerous operational and financial risks, including:

- exposure to unknown liabilities;
- disruption of our business and diversion of our management's time and attention in order to negotiate and manage a collaboration or develop acquired products, product candidates or technologies;
- incurrence of substantial debt or dilutive issuances of equity securities to pay transaction consideration or costs;
- higher-than-expected collaboration, acquisition or integration costs, write-downs of assets or goodwill or impairment charges, increased amortization expenses;
- difficulty and cost in facilitating the collaboration or combining the operations and personnel of any acquired business;
- impairment of relationships with key suppliers, manufacturers or customers of any acquired business due to changes in management and ownership; and
- the inability to retain key employees of any acquired business.

Accordingly, although there can be no assurance that we will undertake or successfully complete any transactions of the nature described above, any transactions that we do complete may be subject to the foregoing or other risks and our business could be materially harmed by such transactions. Conversely, any failure to enter any collaboration or other strategic transaction that would be beneficial to us could delay the development and potential commercialization of our product candidates and technologies and have a negative impact on the competitiveness of any product candidate or technology that reaches market.

In addition, to the extent that any future collaborators terminate a collaboration agreement, we may be forced to independently develop our current and future product candidates and technologies, including funding preclinical studies or clinical trials, assuming marketing and distribution costs and maintaining, enforcing and defending intellectual property rights, or, in certain instances, abandon product candidates and technologies altogether, any of which could result in a change to our business plan and have a material adverse effect on our business, financial condition, results of operations and prospects.

Risks Related to Manufacturing

Manufacturing our current or future product candidates is complex and the third parties upon whom we rely to provide manufacturing services may encounter difficulties in production. If we encounter such difficulties, our

ability to provide supply of our current or future product candidates for preclinical studies and clinical trials or, if approved, for commercial sale, for commercial purposes could be delayed or halted entirely.

The process of manufacturing our current or future product candidates is complex and highly regulated, and it requires significant expertise. including the development of advanced manufacturing techniques and process controls. The process of manufacturing our product candidates is also extremely susceptible to product loss due to contamination, equipment failure or improper installation or operation of equipment, operator error, contamination and inconsistency in yields, variability in product characteristics and difficulties in scaling the production process. Even minor deviations from normal manufacturing processes could result in reduced production yields, product defects and other supply disruptions. If microbial, viral or other contaminants are discovered in our product candidates or the manufacturing facilities in which they are made, the facilities may need to be closed for an extended period of time to investigate and remedy the contamination. As a result of the complexities, the cost to manufacture biologics in general, and our cell-based product candidates in particular, is generally higher than traditional small molecule chemical compounds, and the manufacturing process is less reliable and is more difficult to reproduce.

We do not have our own manufacturing facilities or personnel and currently rely, and expect to continue to rely, on third party manufacturing organizations, or CMOs, and in particular GeneFab, for the manufacture of our current or future product candidates. GeneFab and any other CMO may not be able to provide adequate resources or capacity to meet our needs. If GeneFab or any other CMO with whom we contract fails to perform its obligations, we may be forced to enter into an agreement with a different CMO, which we may not be able to do on reasonable terms, if at all. This could significantly delay our clinical trials supply as we establish alternative supply sources. In some cases, the technical skills required to manufacture our product candidates or products, if approved, may be unique or proprietary to the original CMO and we may have difficulty, or there may be contractual restrictions prohibiting us from, transferring such skills to a back-up or alternate supplier, or we may be unable to transfer such skills at all. In addition, if we are required to change CMOs for any reason, we will be required to verify that the new CMO maintains facilities and procedures that comply with quality standards and with all applicable regulations.

Any adverse developments affecting manufacturing operations for our product candidates, if any are approved, may result in shipment delays, inventory shortages, lot failures, product withdrawals or recalls, or other interruptions in the supply of our products. We may also have to take inventory write-offs and incur other charges and expenses for products that fail to meet specifications, undertake costly remediation efforts or seek more costly manufacturing alternatives. Furthermore, it is too early to estimate our cost of goods sold. The actual cost to manufacture our product candidates could be greater than we expect because we are early in our development efforts.

Supply of our product candidates for preclinical and clinical development may become limited or interrupted or may not be of satisfactory quantity or quality, and we may experience delays if GeneFab is unable to operate and we are required to relay on third-party back-up manufacturers.

Initial manufacturing efforts under our agreements with GeneFab will focus on our lead programs, SENTI-202 and SENTI-401.We do not currently have arrangements in place for a redundant or second-source supply in the event the facility we sublease to GeneFab is not operational or GeneFab is otherwise unable to meet our supply requirements for our preclinical studies and planned clinical trials. Any delays in manufacturing our product candidates could impede, delay, limit or prevent our drug development efforts, which could harm our business, results of operations, financial condition and prospects.

We do not currently produce our product candidates in quantities sufficient for preclinical and clinical development. We cannot be sure that the manufacturing processes employed by GeneFab or the technologies incorporated for manufacturing will result in viable or scalable yields of our product candidates that will be safe, effective, and meet market demand. GeneFab and any other third-party manufacturers we may contract with must meet applicable manufacturing requirements and undergo rigorous facility and process validation tests required by regulatory authorities in order to comply with regulatory standards, such as cGMP and cGTP. In the event that we or any third-party manufacturer fails to comply with such requirements or to perform obligations in relation to quality, timing or otherwise, or if our supply of components or other materials becomes limited or interrupted for other reasons, we may be forced to or enter into an agreement with another third party, which we may not be able to do on reasonable terms, or at all. In some cases, the technical skills or technology required to manufacture our current and future product candidates may be difficult or impossible to transfer to a third party and a feasible alternative may not

exist. If we are required to change manufacturing facilities or manufacturers for any reason, we will be required to verify that the new facilities and procedures comply with quality standards and with all applicable regulations and guidelines. We will also need to verify, such as through a manufacturing comparability study, that any new manufacturing process will produce our product candidate according to the specifications previously submitted to the FDA or another regulatory authority. The delays associated with the verification of a new manufacturing could negatively affect our ability to develop product candidates in a timely manner or within budget.

In addition, changes in manufacturers often involve changes in manufacturing procedures and processes, and to regulatory applications, which could require that we conduct bridging studies between our prior clinical supply used in our clinical trials and that of any new manufacturer, and therefore delay timelines. We may be unsuccessful in demonstrating the comparability of clinical supplies which could require the conduct of additional clinical trials.

If we receive regulatory approval for any product candidate and we are unable, for any reason, to have sufficient quantities of the product produced, or if we are unable to obtain or maintain third-party manufacturing arrangements on commercially reasonable terms, we may not be able to commercialize the product candidate successfully. Failure to execute on our manufacturing requirements and comply with cGMP and cGTP could adversely affect our business in a number of ways, including:

- an inability to initiate or continue clinical trials of product candidates under development;
- delay in submitting regulatory applications, or receiving regulatory approvals, for product candidates;
- loss of the cooperation of potential future collaborators;
- subjecting third-party manufacturing facilities to additional inspections by regulatory authorities;
- requirements to cease distribution or to recall batches of product candidates; and
- in the event of approval to market and commercialize a product candidate, an inability to meet commercial demands for our products.

GeneFab or any other third-party manufacturers that we use may be unable to successfully scale the manufacturing of our current or potential future product candidates in sufficient quality and quantity, which would delay or prevent us from developing our current and potential future product candidates and commercializing approved products candidates, if any. GeneFab has never operated a cGMP facility before.

In order to conduct clinical trials for our current and potential future product candidates or to commercialize any approved product candidates, we will need to manufacture large quantities of these product candidates. We currently expect to rely exclusively on GeneFab to produce required quantities of SENTI-202. We, GeneFab, or any future manufacturing partners, may be unable to successfully increase the manufacturing capacity for any current or potential future product candidate in a timely or cost-effective manner, or at all. In addition, quality issues may arise during scale-up activities and may result in lower yields than initially expected. While we believe GeneFab will be able to sufficiently scale to produce commercial quantities, any significant revisions to the manufacturing process may create delays, which could negatively impact our overall development timelines. In addition, GeneFab has never operated a cGMP facility before. Difficulties may be encountered in operating the facility or meeting the requirements of the FDA or other regulatory authorities that we have not anticipated. If GeneFab cannot successfully scale the manufacture of any current or potential future product candidate in sufficient quality and quantity, the development, testing, clinical trials and commercialization of that product candidate may be delayed or infeasible and regulatory approval or commercial launch of any potential resulting product may be delayed or not obtained, which could significantly harm our business.

We are exposed to a number of risks related to our supply chain for the materials required to manufacture our product candidates.

Manufacturing our product candidates is highly complex and requires sourcing specialty materials. Many of the risks associated with the complexity of manufacturing our final products are applicable to the manufacture and supply of the raw materials. In particular, these starting materials are subject to inconsistency in yields, variability in characteristics, contamination, difficulties in scaling the production process and defects. Similar minor deviations in the manufacturing process for these starting materials could result in supply disruption and reduced production yields for our final product. In addition, we rely on third parties for the supply of these materials exposing us to similar risks of reliance on third parties as described above with respect to the manufacturing and supply of our drug products.

Our manufacturing processes requires many reagents, some of which are drug substance intermediates used in our manufacturing processes to bring about chemical or biological reactions, and other specialty materials and equipment, some of which are manufactured or supplied by small companies with limited resources and experience to support commercial production. We currently depend on a limited number of vendors for certain materials and equipment used in the manufacture of our product candidates. Some of these suppliers may not have the capacity to support commercial products manufactured under cGMP by biopharmaceutical firms or may otherwise be ill-equipped to support our needs. Reagents and other key materials from these suppliers may have inconsistent attributes and introduce variability into our manufactured product candidates, which may contribute to variable patient outcomes and possible adverse events. We also do not have supply contracts with many of these suppliers and may not be able to obtain supply contracts with them on acceptable terms or at all. Accordingly, we may experience delays in receiving key materials and equipment to support clinical or commercial manufacturing.

For some of these reagents, equipment, and materials, we rely and may in the future rely on sole source vendors or a limited number of vendors. An inability to continue to source product from any of these suppliers, which could be due to regulatory actions or requirements affecting the supplier, adverse financial or other strategic developments experienced by a supplier, labor disputes or shortages, unexpected demands, or quality issues, could adversely affect our ability to satisfy demand for our product candidates, which could adversely and materially affect our product sales and operating results or our ability to conduct clinical trials, either of which could significantly harm our business.

As GeneFab continues to develop and scale the manufacturing process for our product candidates, we expect that there will be a need to obtain rights to and supplies of certain materials and equipment to be used as part of that process. These rights may not be able to be obtained with respect to such materials on commercially reasonable terms, or at all, and if we are unable to alter our process in a commercially viable manner to avoid the use of such materials or find a suitable substitute, it would have a material adverse effect on our business. Even if we are able to alter our process so as to use other materials or equipment, such a change may lead to a delay in our clinical development and/or commercialization plans. If such a change occurs for a product candidate that is already in clinical testing, the change may require us to perform comparability studies and to collect additional data from patients prior to undertaking more advanced clinical trials.

Changes in methods of product candidate manufacturing or formulation may result in the need to perform new clinical trials, which would require additional costs and cause delay.

As product candidates are developed through preclinical to late-stage clinical trials towards approval and commercialization, it is common that various aspects of the development program, such as manufacturing methods and formulation, are altered along the way in an effort to optimize yield and manufacturing batch size, minimize costs and achieve consistent quality and results. Such changes carry the risk that they will not achieve these intended objectives. Any of these changes could cause our product candidates to perform differently and affect the results of ongoing, planned or future clinical trials conducted with the altered materials. This could delay completion of clinical trials, require the conduct of bridging clinical trials or the repetition of one or more clinical trials, increase clinical trial costs, delay approval of our product candidates and jeopardize our ability to commence product sales and generate revenue.

Risks Related to Our Business and Operations

If the market opportunities for our current and potential future product candidates, including SENTI-202 and SENTI-401, are smaller than we believe they are, our future product revenues may be adversely affected, and our business may suffer.

Our understanding of the number of people who suffer from diseases that our current product candidates may be able to treat are based on estimates. These estimates may prove to be incorrect, and new studies may reduce the estimated incidence or prevalence of these diseases. The number of patients in the United States or elsewhere may turn out to be lower than expected, may not be otherwise amenable to treatment with our current or potential future product candidates or patients may become increasingly difficult to identify and access, all of which would adversely affect our business prospects and financial condition. In particular, the treatable population for our candidates may further be reduced if our estimates of addressable populations are erroneous or sub-populations of patients do not derive benefit from our product candidates.

Further, there are several factors that could contribute to making the actual number of patients who receive our current or potential future product candidates less than the potentially addressable market. These include the lack of widespread availability of, and limited reimbursement for, new therapies in many underdeveloped markets.

We face competition from companies that have developed or may develop product candidates for the treatment of the diseases that we may target, including companies developing novel therapies and platform technologies. If these companies develop platform technologies or product candidates more rapidly than we do, or if their platform technologies or product candidates are more effective or have fewer side effects, our ability to develop and successfully commercialize product candidates may be adversely affected.

The development and commercialization of cell and gene therapies is highly competitive. We compete with a variety of large pharmaceutical companies, multinational biopharmaceutical companies, other biopharmaceutical companies and specialized biotechnology companies, as well as technology and/or therapeutics being developed at universities and other research institutions. Our competitors are often larger and better funded than we are. Our competitors have developed, are developing or will develop product candidates and processes competitive with ours. Competitive therapeutic treatments include those that have already been approved and accepted by the medical community and any new treatments that are currently in development or that enter the market. We believe that a significant number of product candidates are currently under development, and may become commercially available in the future, for the treatment of conditions for which we may try to develop product candidates. There is intense and rapidly evolving competition in the biotechnology and biopharmaceutical fields. We believe that while our gene circuit platform, its associated intellectual property portfolio, the characteristics of our current and potential future product candidates and our scientific and technical know-how together give us a competitive advantage in this space, competition from many sources remains.

Many of our competitors have significantly greater financial, technical, manufacturing, marketing, sales and supply resources or experience than we do. 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 product candidates, the ease with which our product candidates can be administered, the timing and scope of regulatory approvals for these product candidates, the availability and cost of manufacturing, marketing and sales capabilities, price, reimbursement coverage and patent position. Competing products and product candidates could present superior treatment alternatives, including by being more effective, safer, less expensive or marketed and sold more effectively than any products we may develop. Competitive products and product candidates may make any product we develop obsolete or noncompetitive before we recover the expense of developing and commercializing such product. Such competitors could also recruit our employees, which could negatively impact our level of expertise and our ability to execute our business plan.

Any inability to attract and retain qualified key management, technical personnel and employees would impair our ability to implement our business plan.

Our success largely depends on the continued service of key executive management, advisors and other specialized personnel, including Timothy Lu, our Chief Executive Officer, Kanya Rajangam, our Chief Medical and Development Officer, and Deborah Knobelman, our Chief Financial Officer. Our senior management may terminate their employment with us at any time. We do not maintain “key person” insurance for any of our employees. The

loss of one or more members of our executive team, management team or other key employees or advisors could delay our research and development programs and have a material adverse effect on our business, financial condition, results of operations and prospects.

Recruiting and retaining qualified scientific and clinical personnel and, if we progress the development of any of our product candidates, commercialization, manufacturing and sales and marketing personnel, will be critical to our success. The loss of the services of members of our senior management 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 members of our senior management 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 our product candidates. Our success also depends on our ability to continue to attract, retain and motivate highly skilled junior, mid-level and senior managers, as well as junior, mid-level and senior scientific and medical personnel. Competition to hire from this limited candidate 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 have commitments under consulting or advisory contracts with other entities that may limit their availability to us. If we are unable to continue to attract and retain high-quality personnel, our ability to pursue our growth strategy will be limited.

We may experience difficulties in managing our growth and expanding our operations.

We have limited experience in therapeutic development. As our current and potential future product candidates enter and advance through preclinical studies and any clinical trials, we will need to expand our development and regulatory capabilities or contract with other organizations to provide these capabilities for us.

To manage our anticipated future growth, we will continue to implement and improve our managerial, operational, and financial systems, and continue to recruit and train additional qualified personnel. Due to our limited financial resources and the complexity 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.

In addition, future growth imposes significant added responsibilities on members of management, including: identifying, recruiting, integrating, maintaining, and motivating additional employees; managing our internal development efforts effectively, including the clinical and FDA review process for our product candidates, while complying with our contractual obligations to contractors and other third parties; and improving our operational, financial and management controls, reporting systems and procedures.

We may also experience difficulties in the discovery and development of potential future product candidates using our gene circuit platform if we are unable to meet demand as we grow our operations. In the future, we also expect to have to manage additional relationships with collaborators, suppliers and other organizations. Our ability to manage our operations and future growth will require us to continue to improve our operational, financial and management controls, reporting systems and procedures and secure adequate facilities for our operational needs. We may not be able to implement improvements to our management information and control systems in an efficient or timely manner and may discover deficiencies in existing systems and controls.

Our strategic re-prioritization plan announced in January, 2023 may not result in the full anticipated benefits or may limit or disrupt our operations.

In January 2023, we announced a pipeline re-prioritization plan to streamline our internal research and development efforts, and focus our internal resources on SENTI-202 and SENTI-401, and, with potential partners, to develop gene circuits for other programs. We may not realize the potential benefits, savings, cash runway extensions or improvements in our cost structure from our re-prioritization efforts due to unexpected difficulties, delays, or costs. Further, we may not be able to enter into partnerships for programs that we do not intend to develop internally on acceptable terms or within the timeframes that we expect, or we may not realize the anticipated benefits of those

partnerships we do secure, and we may be forced to dedicate additional time and resources to the maintenance of these programs or to our efforts to enter new or additional partnerships. If we are unable to realize anticipated cost savings from the reorganization, our operating results and financial condition may be adversely affected. Furthermore, implementing changes to our corporate strategy may be disruptive to our operations. For example, we may engage in workforce reductions that could yield unexpected consequences, such as turnover beyond planned reductions or increased difficulty in our day-to-day operations. Any workforce reductions could harm our ability to attract and retain qualified personnel who are critical to our business. Any failure to attract or retain qualified personnel could prevent us from successfully executing key technical and scientific initiatives.

If any of our product candidates is approved for marketing and commercialization in the future and we are unable to develop sales, marketing and distribution capabilities on our own or enter into agreements with third parties to perform these functions on acceptable terms, we will be unable to successfully commercialize any such future products.

We currently have no sales, marketing or distribution capabilities or experience. We will need to develop internal sales, marketing and distribution capabilities to commercialize each current and potential future product candidate that gains, if ever, FDA or other regulatory authority approval, which would be expensive and time-consuming, or enter into collaborations with third parties to perform these services. If we decide to market any approved products directly, we will need to commit significant financial and managerial resources to develop a marketing and sales force with technical expertise and supporting distribution, administration and compliance capabilities. If we rely on third parties with such capabilities to market any approved products or decide to co-promote products with third parties, we will need to establish and maintain marketing and distribution arrangements with third parties, and there can be no assurance that we will be able to enter into such arrangements on acceptable terms or at all. In entering into third-party marketing or distribution arrangements, any revenue we receive will depend upon the efforts of the third parties and we cannot assure you that such third parties will establish adequate sales and distribution capabilities or be successful in gaining market acceptance for any approved product. If we are not successful in commercializing any product approved in the future, either on our own or through third parties, our business and results of operations could be materially and adversely affected.

Our potential future international operations may expose us to business, political, operational and financial risks associated with doing business outside of the United States.

Our business is subject to risks associated with conducting business internationally. Some of our future clinical trials may be conducted outside of the United States and we may enter into key supply arrangements or do other business with persons outside of the United States. Furthermore, if we or any future collaborator succeeds in developing any products, we anticipate marketing them in the European Union and other jurisdictions in addition to the United States. If approved, we or any future collaborator may hire sales representatives and conduct physician and patient association outreach activities outside of the United States. Doing business internationally involves a number of risks, including but not limited to:

- multiple, conflicting and changing laws and regulations such as those relating to privacy, data protection and cybersecurity, tax laws, export and impo restrictions, employment laws, regulatory requirements and other governmental approvals, permits and licenses;
- failure by us to obtain and maintain regulatory approvals for the commercialization of our product candidates in various countries;
- rejection or qualification of foreign clinical trial data by the competent authorities of other countries;
- additional potentially relevant third-party patent rights;
- complexities and difficulties in obtaining, maintaining, protecting and enforcing our intellectual property rights;

- difficulties in staffing and managing foreign operations;
- complexities associated with managing multiple payor reimbursement regimes, government payors or patient self-pay systems;
- limits in our ability to penetrate international markets;
- financial risks, such as longer payment cycles, difficulty collecting accounts receivable, the impact of local and regional financial crises on demand a payment for our products and exposure to foreign currency exchange rate fluctuations;
- natural disasters, political and economic instability, including wars, terrorism and political unrest, outbreak of disease (including the lingering impact the COVID-19 pandemic), boycotts, curtailment of trade and other business restrictions;
- certain expenses including, among others, expenses for travel, translation and insurance; and
- regulatory and compliance risks that relate to anti-corruption compliance and record-keeping that may fall within the purview of the U.S. Foreign Corrupt Practices Act, its accounting provisions or its anti-bribery provisions or provisions of anti-corruption or anti-bribery laws in other countries.

Any of these factors could harm our ongoing international operations and supply chain, as well as any future international expansion and operations and, consequently, our business, financial condition, prospects and results of operations.

Our business entails a significant risk of product liability, and our inability to obtain sufficient insurance coverage could have a material adverse effect on our business, financial condition, results of operations and prospects.

As we conduct preclinical studies and future clinical trials of our current and potential future product candidates, we will be exposed to significant product liability risks inherent in the development, testing, manufacturing and marketing of these product candidates. Product liability claims could delay or prevent completion of our development programs. If we succeed in marketing products, such claims could result in an FDA investigation of the safety and effectiveness of our products, our manufacturing processes and facilities or our marketing programs and potentially a recall of our products or more serious enforcement action, limitations on the approved indications for which they may be used or suspension or withdrawal of approvals. Regardless of the merits or eventual outcome, liability claims may also result in decreased demand for our products, injury to our reputation, costs to defend the related litigation, a diversion of management's time and our resources, substantial monetary awards to trial participants or patients and a decline in our stock price. Any insurance we have or may obtain may not provide sufficient coverage against potential liabilities. Furthermore, clinical trial and product liability insurance is becoming increasingly expensive. As a result, we or any future collaborators may be unable to obtain sufficient insurance at a reasonable cost to protect us against losses caused by product liability claims that could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our employees, principal investigators, consultants and commercial collaborators may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of fraud or other misconduct by our employees, principal investigators, consultants and commercial collaborators. Misconduct by employees could include intentional failures to comply with FDA regulations, provide accurate information to the FDA, comply with manufacturing standards we may establish, comply with federal and state healthcare fraud and abuse laws and regulations, 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, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting,

marketing and promotion, sales commission, customer incentive programs and other business arrangements. Such misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. It is not always possible to identify and deter 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 governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such 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 material adverse effect on our business and financial condition, including the imposition of significant criminal, civil and administrative fines or other sanctions, such as monetary penalties, damages, fines, disgorgement, imprisonment, exclusion from participation in government-funded healthcare programs, such as Medicare and Medicaid, integrity obligations, reputational harm and the curtailment or restructuring of our operations.

We depend on sophisticated information technology systems and data processing to operate our business. If we experience security or data privacy breaches or other unauthorized or improper access to, use of, or destruction of our proprietary or confidential data, employee data or personal data, we may face costs, significant liabilities, harm to our brand and business disruption.

We rely on information technology systems and data processing that we or our service providers, collaborators, consultants, contractors or partners operate to collect, process, transmit and store electronic information in our day-to-day operations, including a variety of personal data, such as name, mailing address, email addresses, phone number and potentially clinical trial information. Additionally, we, and our service providers, collaborators, consultants, contractors or partners, do or will collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect and share personal information, health information and other information to host or otherwise process some of our anticipated future clinical data and that of users, develop our products, to operate our business, for clinical trial purposes, for legal and marketing purposes, and for other business-related purposes. Our internal computer systems and data processing and those of our third-party vendors, consultants, collaborators, contractors or partners, including future CROs may be vulnerable to a cyber-attack (including supply chain cyber-attacks), malicious intrusion, breakdown, destruction, loss of data privacy, actions or inactions by our employees or contractors that expose security vulnerabilities, theft or destruction of intellectual property or other confidential or proprietary information, business interruption or other significant security incidents. As the cyber-threat landscape evolves, these attacks are growing in frequency, level of persistence, sophistication and intensity, and are becoming increasingly difficult to detect. In addition to traditional computer “hackers,” threat actors, software bugs, malicious code (such as viruses and worms), employee theft or misuse, denial-of-service attacks (such as credential stuffing), phishing and ransomware attacks, sophisticated nation-state and nation-state supported actors now engage in attacks (including advanced persistent threat intrusions). These risks may be increased as a result of the COVID-19 pandemic, owing to an increase in personnel working remotely and higher reliance on internet technology. Furthermore, because the techniques used to obtain unauthorized access to, or to sabotage, systems change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. We may also experience security breaches that may remain undetected for an extended period.

There can be no assurance that we, our service providers, collaborators, consultants, contractors or partners will be successful in efforts to detect, prevent or fully recover systems or data from all breakdowns, service interruptions, attacks or breaches of systems that could adversely affect our business and operations and/or result in the loss of critical or sensitive data. Any failure by us or our service providers, collaborators, consultants, contractors or partners to detect, prevent, respond to or mitigate security breaches or improper access to, use of, or inappropriate disclosure of any of this information or other confidential or sensitive information, including patients’ personal data, or the perception that any such failure has occurred, could result in claims, litigation, regulatory investigations and other proceedings, significant liability under state, federal and international law, and other financial, legal or reputational harm to us. Further, such failures or perceived failures could result in liability and a material disruption of our development programs and our business operations, which could lead to significant delays or setbacks in our research, delays to commercialization of our product candidates, lost revenues or other adverse consequences, any of which could have a material adverse effect on our business, results of operations, financial condition, prospects and cashflow. For example, the loss or alteration of clinical trial data from future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data.

Additionally, applicable laws and regulations relating to privacy, data protection or cybersecurity, external contractual commitments and internal privacy and security policies may require us to notify relevant stakeholders if there has been a security breach, including affected individuals, business partners and regulators. Such disclosures are costly, and the disclosures or any actual or alleged failure to comply with such requirements could lead to a materially adverse impact on the business, including negative publicity, a loss of confidence in our services or security measures by our business partners or breach of contract claims. 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 if we fail to comply with applicable data protection laws, privacy policies or other data protection obligations related to information security or security breaches.

If we do not comply with laws regulating the protection of the environment and health and human safety, our business could be adversely affected.

Our research, development and manufacturing involve the use of hazardous materials and various chemicals. We maintain quantities of various flammable and toxic chemicals that are required for our research, development and manufacturing activities. We are subject to federal, state and local laws and regulations governing the use, manufacture, storage, handling and disposal of these hazardous materials. We believe our procedures for storing, handling and disposing of these materials comply with the relevant guidelines of the state of California and the Occupational Safety and Health Administration of the U.S. Department of Labor. Although we believe that our safety procedures for handling and disposing of these materials comply with the standards mandated by applicable regulations, the risk of accidental contamination or injury from these materials cannot be eliminated. If an accident occurs, we could be held liable for resulting damages, which could be substantial. We are also subject to numerous environmental, health and workplace safety laws and regulations, including those governing laboratory procedures, exposure to blood-borne pathogens and the handling of animals and biohazardous materials. 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 these materials, this insurance may not provide adequate coverage against potential liabilities. Although we have some environmental liability insurance, we may not maintain adequate insurance for all environmental liability or toxic tort claims that may be asserted against us in connection with our storage or disposal of biological or hazardous materials. Additional federal, state and local laws and regulations affecting our operations may be adopted in the future. We may incur substantial costs to comply with, and substantial fines or penalties if we violate, any of these laws or regulations.

Our business, operations and clinical development plans and timelines could be adversely affected by global economic and political developments, including high inflation and capital market disruption, the war in Ukraine, the current armed conflict in Israel and the Gaza Strip, economic sanctions and economic slowdowns or recessions, including any lingering impact from the COVID-19 pandemic, or the manufacturing, clinical trial and other business activities performed by us or by third parties with whom we may conduct business, including our anticipated contract manufacturers, CROs, shippers and others.

Any global financial crisis or slowdown could cause volatility and disruptions in the capital and credit markets. Similarly, any global health epidemic, such as the COVID-19 pandemic, could cause disruptions in our operations and in the operations of third-party manufacturers, CROs, and other third-parties on whom we rely. More recently, the global economy has been impacted by increasing interest rates and high inflation, as well as by the war in Ukraine and the armed conflict in Israel and the Gaza Strip, and the possibility of a wider European and/or Middle-East or global conflict. A severe or prolonged economic downturn could result in a variety of risks to our business, including a reduced ability to raise additional capital when needed on acceptable terms, or at all. Additionally, a weak or declining economy or international trade disputes could strain our suppliers, some of whom are located outside the United States, potentially resulting in supply disruption. Also, the global COVID-19 pandemic and government measures taken in response have also had a significant impact on businesses and commerce worldwide. In connection with COVID-19, we implemented work-from-home policies for most employees. The effects of our work-from-home policies may negatively impact productivity, disrupt our business and delay our clinical programs and timelines, the magnitude of which will depend, in part, our ability to conduct our business in the ordinary course.

If our relationships with our suppliers or other vendors are terminated or scaled back as a result of a health epidemic, we may not be able to enter into arrangements with alternative suppliers or vendors or do so on commercially reasonable terms or in a timely manner. Switching or adding additional suppliers or vendors involves

substantial cost and requires management time and focus. In addition, there is a natural transition period when a new supplier or vendor commences work. As a result, delays may occur, which could adversely impact our ability to meet our desired clinical development and any future commercialization timelines. Although we carefully manage our relationships with our suppliers and vendors, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not harm our business.

In addition, our preclinical studies and future clinical trials may be affected by global health emergencies. Clinical site initiation, patient enrollment and activities that require visits to clinical sites, including data monitoring, may be delayed due to prioritization of hospital resources toward addressing pandemic concerns among patients about participating in clinical trials during a pandemic. Some patients may have difficulty following certain aspects of clinical trial protocols if quarantines impede patient movement or interrupt healthcare services. These challenges may also increase the costs of completing our clinical trials. Similarly, if we are unable to successfully recruit and retain patients and principal investigators and site staff who, as healthcare providers, may have heightened exposure to illness during a global health emergency or experience additional restrictions by their institutions, city or state, our preclinical studies and future clinical trial operations could be adversely impacted.

The global COVID-19 pandemic has disrupted and may continue to disrupt healthcare delivery and healthcare regulatory systems. Such disruptions could divert healthcare resources, or delay the review and approval by the FDA or other regulatory bodies, thereby causing delay for our clinical trials. During a global health crisis, certain manufacturing facilities and materials may be commandeered under the Defense Production Act of 1950, or equivalent foreign legislation, which may make it more difficult to obtain materials or manufacturing slots for the product candidates needed for our clinical trials, which could lead to delays in these trials. These and similar, and perhaps more severe, disruptions in our operations could have a material adverse effect on our business, results of operations, cash flows, financial condition and/or prospects.

The effects of a pandemic could have a material impact on our operations, and to the extent a pandemic adversely affects our business, results of operations, cash flows, financial condition and/or prospects, it may also have the effect of heightening many of the other risks described in this “Risk Factors” section.

Market volatility and economic downturns may harm our business and results of operations and negatively affect our stock price.

Our overall performance depends, in part, on worldwide economic conditions. In recent months, we have observed increased economic uncertainty in the United States and abroad. Impacts of such economic weakness include:

- declining overall demand for goods and services, leading to reduced profitability;
- reduced credit availability;
- higher borrowing costs;
- reduced liquidity;
- volatility in credit, equity and foreign exchange markets; and
- bankruptcies.

These developments could lead to supply chain disruption, inflation, higher interest rates, and uncertainty about business continuity, which may adversely affect our business and our results of operations and negatively affect our stock price.

Recent volatility in capital markets and lower market prices for our securities may affect our ability to access new capital through sales of shares of our common stock or issuance of indebtedness, which may harm our liquidity, limit our ability to grow our business, pursue acquisitions or improve our operating infrastructure and restrict our ability to compete in our markets.

Our operations consume substantial amounts of cash, and we intend to continue to make significant investments to support our business growth, respond to business challenges or opportunities, develop new solutions, retain or

expand our current levels of personnel, improve our existing solutions, enhance our operating infrastructure, and potentially acquire complementary businesses and technologies. Our future capital requirements may be significantly different from our current estimates and will depend on many factors, including the need to:

- finance unanticipated working capital requirements;
- develop or enhance our technological infrastructure and our existing solutions;
- pursue acquisitions or other strategic relationships; and
- respond to competitive pressures.

Accordingly, we may need to pursue equity or debt financings to meet our capital needs. With uncertainty in the capital markets and other factors, such financing may not be available on terms favorable to us or at all. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our common stock. Any debt financing secured by us in the future could involve additional restrictive covenants relating to our capital-raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. If we are unable to obtain adequate financing or financing on terms satisfactory to us, we could face significant limitations on our ability to invest in our operations and otherwise suffer harm to our business.

Rising inflation rates could negatively impact our revenues and profitability if increases in the prices of our products or a decrease in consumer spending results in lower sales. In addition, if our costs increase and we are not able to pass along these price increases to our customers, our net income would be adversely affected, and the adverse impact may be material.

Inflation rates, particularly in the United States, have increased recently to levels not seen in years. Increased inflation may result in decreased demand for our products and services, increased operating costs (including our labor costs), reduced liquidity, and limitations on our ability to access credit or otherwise raise debt and equity capital. In addition, the United States Federal Reserve has raised, and may again raise, interest rates in response to concerns about inflation. Increases in interest rates, especially if coupled with reduced government spending and volatility in financial markets, may have the effect of further increasing economic uncertainty and heightening these risks.

Risks Related to Our Intellectual Property

If we are unable to obtain or protect intellectual property rights related to our technology and current or future product candidates, or if our intellectual property rights are inadequate, our competitors could develop and commercialize products and technology similar or identical to ours, and we may not be able to compete effectively in our market or successfully commercialize any product candidates we may develop.

Our success depends in part on our ability to obtain and maintain protection for our owned and in-licensed intellectual property rights and proprietary technology. We rely on a combination of patents, trademarks, trade secret protection and confidentiality agreements, including in-licenses of intellectual property rights and biologic materials of others, to protect our current or future platform technologies, product candidates, methods used to manufacture our current or future product candidates and methods for treating patients using our current or future product candidates.

We own or in-license patents and patent applications relating to our platform technologies and product candidates. There is no guarantee that any patents covering our platform technologies or product candidates will issue from the patent applications we own, in-license or may file in the future, or, if they do, that the issued claims will provide adequate protection for our platform technologies or product candidates, or any meaningful competitive advantage. Further, there cannot be any assurance that such patents issued will not be infringed, designed around, invalidated by third parties or effectively prevent others from commercializing competitive technologies, products or product candidates.

The patent prosecution process is expensive, complex and time-consuming. Patent license negotiations also can be complex and protracted, with uncertain results. We may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patents and patent applications at a reasonable cost or in a timely manner. 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. The patent applications that we own or in-license may fail to result in issued patents, and, even if they do issue as patents, such patents may not cover our current or future technologies or product candidates in the United States or in other countries or provide sufficient protection from competitors. In addition, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. We do not have exclusive control over the preparation, filing and prosecution of patent applications under certain of our in-license agreements, and we may not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the rights to patents, that we out-license to third parties. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business. Even if our owned or in-licensed patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage. Our competitors may be able to circumvent our patents by developing similar or alternative product candidates in a non-infringing manner.

Further, although we make reasonable efforts to ensure patentability of our inventions, we cannot guarantee that all of the potentially relevant prior art relating to our owned or in-licensed patents and patent applications has been found. For example, publications of discoveries in scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, and in some cases not at all. Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our platform technologies, our product candidates, or the use of our technologies. We thus cannot know with certainty whether we or our licensors were the first to file for patent protection of such inventions. In addition, the United States Patent and Trademark Office, or USPTO, might require that the term of a patent issuing from a pending patent application be disclaimed and limited to the term of another patent that is commonly owned or names a common inventor. There is no assurance that all potentially relevant prior art relating to our owned or in-licensed patent applications has been found. For this reason, and because there is no guarantee that any prior art search is absolutely correct and comprehensive, we may be unaware of prior art that could be used to invalidate an issued patent or to prevent our owned or in-licensed patent applications from issuing as patents. Invalidation of any of our patent rights, including in-licensed patent rights, could materially harm our business.

Moreover, the patent positions of biotechnology companies like ours are generally uncertain because they may involve complex legal and factual considerations that have, in recent years, been the subject of legal development and change. The relevant patent laws and their interpretation, both inside and outside of the United States, is also uncertain. Changes in either the patent laws or their interpretation in the United States and other jurisdictions may diminish our ability to protect our platform technology or product candidates and could affect the value of such intellectual property. In particular, our ability to stop third parties from making, using, selling, offering to sell or importing products that infringe, misappropriate or otherwise violate our intellectual property will depend in part on our success in obtaining and enforcing patent claims that cover our platform technology, product candidates, inventions and improvements. We cannot guarantee that patents will be granted with respect to any of our owned or licensed pending patent applications or with respect to any patent applications we may file or license in the future, nor can we be sure that any patents that may be granted to us or our licensors in the future will be commercially useful in protecting our products, the methods of use or manufacture of those products. Additionally, third parties, including our former employees and collaborators, may challenge the ownership or inventorship of our patent rights to claim that they are entitled to ownership and inventorship interest, and we may not be successful in defending against such claims. However, we are not currently facing any such challenges. Moreover, issued patents do not guarantee the right to practice our technology in relation to the commercialization of our products. Issued patents only allow us to block—in some cases—potential competitors from practicing the claimed inventions of the issued patents.

The issuance, scope, validity, enforceability and commercial value of our pending patent rights are uncertain. The standards applied by the USPTO and foreign patent offices in granting patents are not always certain and moreover, are not always applied uniformly or predictably. For example, there is no uniform worldwide policy regarding patentable subject matter or the scope of claims allowable in patents. Our pending and future patent applications may not result in patents being issued in the United States or in other jurisdictions which protect our

technology or products or which effectively prevent others from commercializing competitive technologies and products. Changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of our owned or in-licensed patent applications or narrow the scope of any patent protection we may obtain from our owned or in-licensed patent applications. In addition, the laws of foreign countries may not protect our rights to the same extent as the laws of the United States.

Further, patents and other intellectual property rights in the pharmaceutical and biotechnology space are evolving and involve many risks and uncertainties. For example, third parties may have blocking patents that could be used to prevent us from commercializing our product candidates and any future product candidates and practicing our proprietary technology, and any issued patents may be challenged, invalidated or circumvented, which could limit our ability to stop competitors from marketing related products or could limit the term of patent protection that otherwise may exist for our product candidate and any future product candidates. In addition, the scope of the rights granted under any issued patents may not provide us with protection or competitive advantages against competitors or other parties with similar technology. Additionally, our competitors may initiate legal proceedings, such as declaratory judgment actions in federal court or reexaminations or an *inter partes* review at the USPTO in an attempt to invalidate or narrow the scope of our patents. However, we are not currently facing any such proceedings. Furthermore, our competitors or other parties may independently develop similar technologies that are outside the scope of the rights granted under any issued patents. For these reasons, we may face competition with respect to our product candidates and any future product candidates. Moreover, because of the extensive time required for development, testing and regulatory review of a potential product, it is possible that, before any particular product candidate can be commercialized, any patent protection for such product candidate may expire or remain in force for only a short period following commercialization, thereby reducing the commercial advantage the patent provides.

Even if patents do successfully issue from our owned or in-licensed patent application, and even if such patents cover our current or any future technologies or product candidates, third parties may challenge their validity, enforceability or scope, which may result in such patents being narrowed, invalidated, or held unenforceable. Any successful challenge to these patents or any other patents owned by or licensed to us could deprive us of rights necessary for the successful commercialization of any current or future technologies or product candidates that we may develop. Likewise, if patent applications we own or have in-licensed with respect to our development programs and current or future technologies or product candidates fail to issue, if their breadth or strength is threatened, or if they fail to provide meaningful exclusivity, other companies could be dissuaded from collaborating with us to develop current or future technologies or product candidates. Lack of valid and enforceable patent protection could threaten our ability to commercialize current or future products and could prevent us from maintaining exclusivity with respect to the invention or feature claimed in the patent applications. Any failure to obtain or any loss of patent protection could have a material adverse impact on our business and ability to achieve profitability. We may be unable to prevent competitors from entering the market with a product that is similar or identical to any of our current or potential future product candidates or from utilizing technologies similar to those in our gene circuit platform technologies.

The filing of a patent application or the issuance of a patent is not conclusive as to its ownership, inventorship, scope, patentability, validity or enforceability. Issued patents and patent applications may be challenged in the courts and in the patent office in the United States and abroad. For example, our patent applications or patent applications filed by our licensors, or any patents that grant therefrom, may be challenged through third-party submissions, opposition or derivation proceedings. By further example, any issued patents that may result from our owned or in-licensed patent applications may be challenged through reexamination, *inter partes* review or post-grant review proceedings before the USPTO, or in declaratory judgment actions or counterclaims. An adverse determination in any such submission, proceeding or litigation could prevent the issuance of, reduce the scope of, invalidate or render unenforceable our owned or in-licensed patent rights, result in the loss of exclusivity, limit our ability to stop others from using or commercializing similar or identical platforms and product candidates, or allow third parties to compete directly with us without payment to us. In addition, if the breadth or strength of protection provided by any patents that might result from our owned or in-licensed patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future platforms or product candidates. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

Moreover, we currently co-own certain patent applications with third parties and may in the future co-own additional patents and patent applications with third parties. If we are unable to obtain an exclusive license to any

such third-party co-owners' interest in such patents or patent application, such 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 may need the cooperation of any such co-owners to enforce such patents against third parties, and such cooperation may not be provided to us. Any of the foregoing could have a material adverse effect on our competitive position, business prospects and financial conditions.

Our in-licensed patent rights may be subject to a reservation of rights by one or more third parties, such as the U.S. government. In addition, our rights in such inventions may be subject to certain requirements to manufacture product candidates embodying such inventions in the United States. Any exercise by the U.S. government of such rights could harm our competitive position, business, financial condition, results of operations and prospects.

The patent protection and patent prosecution for some of our product candidates and technologies may be dependent on third parties.

While we normally seek to obtain the right to control prosecution, maintenance and enforcement of the patents relating to our product candidates and technologies, there may be times when the filing and prosecution activities for patents and patent applications relating to our product candidates and technologies are controlled by our licensors or collaborators. Our licensors may not successfully prosecute the patent applications to which we are licensed. Even if patents are issued in respect of these patent applications, our licensors may fail to maintain these patents, may determine not to pursue litigation against other companies that are infringing these patents, or may pursue such litigation less aggressively than we would.

If any of our licensors or collaborators fail to prosecute, maintain and enforce such patents and patent applications in a manner consistent with the best interests of our business, including by payment of all applicable fees for patents covering our product candidates and technologies, we could lose our rights to the intellectual property or our exclusivity with respect to those rights, our ability to develop and commercialize those product candidates and technologies may be adversely affected and we may not be able to prevent competitors from making, using and selling competing product candidates. In addition, even where we have the right to control patent prosecution of patents and patent applications we have licensed to and from third parties, we may still be adversely affected or prejudiced by actions or inactions of our licensees, our current and future licensors and their counsel that took place prior to the date upon which we assumed control over patent prosecution.

Our licensed European patents and patent applications could be challenged in the recently-created Unified Patent Court, or UPC, for the European Union, that is expected to be fully ratified in 2023. Under our current license agreements, we may not have the final or sole decision as to whether we are able to opt out certain of our in-licensed European patents and patent applications from the UPC. Our licensors may decide not to opt out of the UPC, which would subject our in-licensed European patents and patent applications to the jurisdiction of the UPC. Furthermore, even if our licensors decide to opt out of the UPC, we cannot guarantee that our licensors will comply with the legal formalities and requirements for properly opting out of the UPC. Thus, we cannot be certain that our in-licensed European patents and patent applications will not fall under the jurisdiction of the UPC. Under the UPC, a single European patent would be valid and enforceable in numerous European countries. A challenge to the validity of a European patent in a central revocation proceeding under the UPC, if successful, could result in a loss of patent protection in numerous European countries, which could have a material adverse impact on our business and our ability to commercialize or license our technology and product candidates.

Further, we may have limited control over the manner in which our licensors initiate an infringement proceeding against a third-party infringer of the intellectual property rights, or defend certain of the intellectual property that is licensed to us. It is possible that the licensors' infringement proceeding(s) or defense activities may be less vigorous than had we conducted them ourselves.

We may be unable to acquire or in-license any relevant third-party intellectual property rights that we identify as necessary or important to our business operations.

Because our development programs may in the future require the use of proprietary rights held by third parties, the growth of our business may depend in part on our ability to acquire, in-license or use these third-party proprietary rights. We may be unable to acquire or in-license any compositions, methods of use, processes or other third-party intellectual property rights from third parties that we identify as necessary for our product candidates. The licensing of third-party intellectual property rights is a competitive area, and more established companies may

pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. More 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 or at all. Even if we are able to obtain a license, it may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. If we are unable to license such technology, or if we are forced to license such technology on unfavorable terms, our business could be materially harmed. If we are unable to obtain a necessary license, we may be unable to develop or commercialize the affected current or future product candidates, which could materially harm our business, and the third parties owning such intellectual property rights could seek either an injunction prohibiting our sales, or, with respect to our sales, an obligation on our part to pay royalties or other forms of compensation. Any of the foregoing could harm our competitive position, business, financial condition, results of operations and prospects.

Further, our licensors may retain certain rights under their agreements with us, including the right to use the underlying technology for noncommercial academic and research use, to publish general scientific findings from research related to the technology, and to make customary scientific and scholarly disclosures of information relating to the technology. It is difficult to monitor whether our licensors limit their use of the technology to these uses, and we could incur substantial expenses to enforce our rights to our licensed technology in the event of misuse.

Additionally, some intellectual property that we have in-licensed or that we own may have been discovered through government funded programs and thus may be subject to federal regulations such as “march-in” rights, certain reporting requirements and a preference for U.S.-based companies. Compliance with such regulations may limit our exclusive rights, and limit our ability to contract with non-U.S. manufacturers.

As a result, the U.S. government may have certain rights to intellectual property embodied in our current or future product candidates pursuant to the Bayh-Dole Act of 1980, or Bayh-Dole Act, and implementing regulations. These U.S. government rights in certain inventions developed under a government-funded program include a non-exclusive, non-transferable, irrevocable worldwide license to use inventions for any governmental purpose. In addition, the U.S. government may have the right to require us or our licensors to grant exclusive, partially exclusive, or non-exclusive licenses to any of these inventions to a third party if it determines that: (i) adequate steps have not been taken to commercialize the invention; (ii) government action is necessary to meet public health or safety needs; or (iii) government action is necessary to meet requirements for public use under federal regulations (also referred to as “march-in rights”).

More specifically, certain currently in-licensed patents that cover certain split, universal and programmable chimeric antigen receptor technology may be subject to march-in-rights. This technology is not embodied in any of our current product candidates. In addition, certain currently in-licensed patents that cover certain components and process for regulating the expression of a fusion protein with the use of a protease inhibitor are subject to march-in-rights, which technology can be embodied in certain regulator dial gene circuits. We also own a patent family claiming an invention made under research partially funded by the federal government. Such invention covers mesenchymal stem cells that express combinations of immune effectors for autoimmunity. While the foregoing invention is not embodied in any current product candidates, it is subject to march-in-rights. The U.S. government also has the right to take title to these inventions made through government funded programs if we, or the applicable licensor, fail to disclose the invention to the government and fail to file an application to register the intellectual property within specified time limits. These time limits have recently been changed by regulation, and may change in the future. Intellectual property generated under a government-funded program is also subject to certain reporting requirements, compliance with which may require us or the applicable licensor to expend substantial resources. In addition, the U.S. government requires that any products embodying the subject invention or produced through the use of the subject invention be manufactured substantially in the United States. The manufacturing preference requirement can be waived if the owner of the intellectual property can show that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible. This preference for U.S. manufacturers may limit our ability to contract with non-U.S. product manufacturers for products covered by such intellectual property. To the extent any of our current or future intellectual property is generated through the use of U.S. government funding, the provisions of the Bayh-Dole Act may similarly apply.

We currently, and in the future may continue to, enter into agreements involving licenses or collaborations that provide for access or sharing of intellectual property. These intellectual property-related agreements may impose certain obligations and restrictions on our ability to develop and commercialize our product candidates and technologies that are the subject of such licenses.

We license rights from third parties to use certain intellectual property relevant to one or more of our current and future product candidates. In the future, we may need to obtain additional licenses from others to advance our research and development activities or allow the commercialization of our current and future product candidates we may identify and pursue. These existing license agreements impose, and any future license agreements we enter into are likely to impose, various development, commercialization, funding, milestone, royalty, diligence, sublicensing, insurance, patent prosecution and enforcement or other obligations on us. For example, we are a party to three license agreements with the U.S. Department of Health and Human Services, as represented by the National Cancer Institute, or NCI, for intellectual property relevant to our product candidates. For a more detailed description of the license agreements with NCI, see the section titled "*Business—Material License and Collaboration Agreements*" in the Annual Report on Form 10-K for the year ended December 31, 2022.

In addition, certain of our future agreements with third parties may limit or delay our ability to consummate certain transactions, may impact the value of those transactions, or may limit our ability to pursue certain activities. For example, we may in the future enter into license agreements that are not assignable or transferable, or that require the licensor's express consent in order for an assignment or transfer to take place.

Further, we or our licensors, if any, may fail to identify patentable aspects of inventions made in the course of development and commercialization activities before it is too late to obtain patent protection on them. Therefore, we may miss potential opportunities to strengthen our patent position. It is possible that defects of form in the preparation or filing of our patents or patent applications may exist, or may arise in the future, for example with respect to proper priority claims, inventorship, claim scope, or requests for patent term adjustments. If we or our licensors fail to establish, maintain or protect such patents and other intellectual property rights, such rights may be reduced or eliminated. If our licensors are not fully cooperative or disagree with us as to the prosecution, maintenance or enforcement of any patent rights, such patent rights could be compromised. If there are material defects in the form, preparation, prosecution, or enforcement of our patents or patent applications, such patents may be invalid and/or unenforceable, and such applications may never result in valid, enforceable patents. Any of these outcomes could impair our ability to prevent competition from third parties, which may have an adverse impact on our business, financial conditions, results of operations and prospects.

Furthermore, we may not have the right to control the preparation, filing, prosecution, maintenance, enforcement and defense of patents and patent applications that we license from third parties. In certain circumstances, our licensed patent rights are subject to our reimbursing our licensors for their patent prosecution and maintenance costs. If our licensors and future licensors fail to prosecute, maintain, enforce and defend patents we may license, or lose rights to licensed patents or patent applications, our licensed rights may be reduced or eliminated. In such circumstances, our right to develop and commercialize any of our products or product candidates that is the subject of such licensed rights could be materially adversely affected. Even where we have the right to control prosecution of patents and patent applications under license from third parties, we may still be adversely affected or prejudiced by actions or inactions of our predecessors or licensors and their counsel that took place prior to us assuming control over patent prosecution.

Our technology acquired or licensed currently or in the future from various third parties is or may be subject to retained rights. Our predecessors or licensors do and may retain certain rights under their agreements with us, including the right to use the underlying technology for non-commercial academic and research use, to publish general scientific findings from research related to the technology, and to make customary scientific and scholarly disclosures of information relating to the technology. It is difficult to monitor whether our predecessors or licensors limit their use of the technology to these uses, and we could incur substantial expenses to enforce our rights to our licensed technology in the event of misuse.

If we are limited in our ability to utilize acquired or licensed technologies, or if we lose our rights to critical in-licensed technology, we may be unable to successfully develop, out-license, market and sell our product candidates, which could prevent or delay new product introductions. Our business strategy depends on the successful development of acquired technologies and licensed technology into commercial product candidates. Therefore, any

limitations on our ability to utilize these technologies may impair our ability to develop, out-license or market and sell our product candidates.

If we fail to comply with our obligations under any existing or future license, collaboration or other intellectual property-related agreements, we may be required to pay damages and could lose intellectual property rights that may be necessary for developing, commercializing and protecting our current or future technologies or product candidates or we could lose certain rights to grant sublicenses.

We have certain obligations to third-party licensors from whom we license certain patent rights that are relevant to one or more current and future product candidates. In the future, we may need to obtain additional licenses from other third parties to advance our research and development activities or allow the commercialization of our current and future product candidates. Our existing license agreements impose, and any future license agreements we enter into are likely to impose, various development, commercialization, funding, milestone, royalty, diligence, sublicensing, insurance, patent prosecution and enforcement or other obligations on us. For a more detailed description of our existing license agreements, see the section titled "*Business—Material License and Collaboration Agreements*" in the Annual Report on Form 10-K for the year ended December 31, 2022. If we breach any of these obligations, including diligence obligations with respect to development and commercialization of product candidates covered by the intellectual property licensed to us, or use the intellectual property licensed to us in an unauthorized manner or we are subject to bankruptcy-related proceedings, we may be required to pay damages and the licensor may have the right to terminate the respective agreement or materially modify the terms of the license, such as by rendering currently exclusive licenses non-exclusive. License termination or modification could result in our inability to develop, manufacture and sell products that are covered by the licensed intellectual property or could enable a competitor to gain access to the licensed intellectual property.

In certain circumstances, our licensed patent rights are subject to our reimbursing our licensors for their patent prosecution and maintenance costs. If our licensors and future licensors fail to prosecute, maintain, enforce and defend patents we may license, or lose rights to licensed patents or patent applications, our licensed rights may be reduced or eliminated. In such circumstances, our right to develop and commercialize any of our products or product candidates that are the subject of such licensed rights could be materially adversely affected.

Our current or future licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing, misappropriating or otherwise violating the licensor's intellectual property rights. In addition, while we cannot currently determine the amount of the royalty obligations we would be required to pay on sales of future products if infringement or misappropriation were found, those amounts could be significant. The amount of our future royalty obligations will depend on the technology and intellectual property we use in products that we successfully develop and commercialize, if any. Therefore, even if we successfully develop and commercialize products, we may be unable to achieve or maintain profitability.

Disputes may arise between us and our present and future licensors regarding intellectual property subject to a licensing agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues, including but not limited to our right to transfer or assi the license;
- whether and the extent to which our product candidates, technology and processes infringe on intellectual property of the licensor that is not subject t the licensing agreement;
- our right to sublicense patents and other rights to third parties, including the terms and conditions thereof;
- our diligence obligations with respect to the development and commercialization of our product candidates that are covered by the license agreement, and what activities satisfy those diligence obligations;

- our right to transfer or assign the license;
- the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us ar our collaborators; and
- the priority of invention of patented technology.

If disputes over intellectual property that we license in the future prevent or impair our ability to maintain our licensing arrangements on acceptable terms, we may not be able to successfully develop and commercialize the affected product candidates, which would have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, the agreements under which we currently license intellectual property or technology from the NCI and other third parties are 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 financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, while we currently do not have any liens, security interests, or other encumbrances on the intellectual property that we own, we may, in the future, need to obtain a loan or a line of credit that will require that we put up our intellectual property as collateral to our lenders or creditors. If we do so, and we violate the terms of any such loan or credit agreement, our lenders or creditors may take possession of such intellectual property, including the rights to receive proceeds derived from such intellectual property.

Patent terms may not be able to protect our competitive position for an adequate period of time with respect to our current or future technologies or product candidates.

Patents have a limited lifespan. The term of individual patents and applications in our portfolio depends upon the legal term of patents in the countries in which they are obtained. In most countries in which we file, including the United States, the patent term is 20 years from the earliest date of filing a non-provisional patent application. Extensions of patent term may be available, but there is no guarantee that we would have patents eligible for extension, or that we would succeed in obtaining any particular extension, and no guarantee any such extension would confer a patent term for a sufficient period of time to exclude others from commercializing product candidates similar or identical to ours. In the United States, the term of a patent may be eligible for patent term adjustment, which permits patent term restoration as compensation for delays incurred at the USPTO during the patent prosecution process. In addition, for patents that cover an FDA-approved drug, the Drug Price Competition and Patent Term Restoration Act of 1984 (the “Hatch-Waxman Act”) permits a patent term extension of up to five years beyond the expiration of the patent. While the length of the patent term extension is related to the length of time the drug is under regulatory review, patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, and only one patent per approved drug—and only those claims covering the approved drug, a method for using it or a method for manufacturing it—may be extended under the Hatch-Waxman Act. Similar provisions are available in Europe and other foreign jurisdictions to extend the term of a patent that covers an approved drug. In the future, if and when our products receive FDA approval or applicable approval in other jurisdictions, we expect to apply for patent term extensions on issued patents covering those products in the United States and other jurisdiction where such extensions are available; however, there is no guarantee that the applicable authorities, including the FDA in the United States, will agree with our assessment of whether such extensions should be granted, and if granted, the length of such extensions. We also 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. If we are unable to obtain patent term extension or the term of any such extension is less than we request, the period during which we can enforce our patent rights for the

applicable product candidate will be shortened and our competitors may obtain approval to market competing products sooner. As a result, our revenue from applicable products could be reduced. Further, if this occurs, our competitors may be able to launch their products earlier by taking advantage of our investment in development and clinical trials along with our clinical and preclinical data. This could have a material adverse effect on our business and ability to achieve profitability.

The life of a patent and the protection it affords are limited. As a result, our owned and in-licensed patent portfolio provides us with limited rights that may not last for a sufficient period of time to exclude others from commercializing product candidates similar or identical to ours. Even if patents covering our product candidates are obtained, once the patent life has expired, we may be open to competition from competitive products, including generics or biosimilars. For example, given the large amount of time required for the research, development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

Changes in U.S. patent law or the patent law of other countries or jurisdictions could diminish the value of patents in general, thereby impairing our ability to protect our current or any future technologies or product candidates.

Changes in either the patent laws or interpretation of the patent laws in the United States or elsewhere could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. The United States has enacted and implemented wide-ranging patent reform legislation. On September 16, 2011, the Leahy-Smith America Invents Act (the "Leahy-Smith Act") was signed into law, which could increase the uncertainties and costs surrounding the prosecution of our owned or in licensed patent applications and the enforcement or defense of any future owned or in-licensed issued patents. The Leahy-Smith Act includes a number of significant changes to U.S. patent law. These include provisions that affect the way patent applications are prosecuted, redefine prior art, may affect patent litigation and switch the U.S. patent system from a "first-to-invent" system to a "first-to-file" system. Under a first-to-file system, assuming the other requirements for patentability are met, the first inventor to file a patent application generally will be entitled to the patent on an invention regardless of whether another inventor had made the invention earlier. A third party that files a patent application in the USPTO after March 16, 2013, but before us, could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by such third party. This will require us to be cognizant of the time from invention to filing of a patent application. 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 Leahy-Smith Act also allows third-party submission of prior art to the USPTO during patent prosecution and sets forth additional procedures to challenge the validity of a patent by USPTO-administered post-grant proceedings, including derivation, reexamination, *inter partes* review, post-grant review and interference proceedings. The USPTO developed additional regulations and procedures to govern administration of the Leahy-Smith Act, and many of the substantive changes to patent law associated with the Leahy-Smith Act, and, in particular, the first-to-file provisions, became effective on March 16, 2013. Accordingly, it is not clear what, if any, impact the Leahy-Smith Act will have on the operation of our business. The Leahy-Smith 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 issued owned or in-licensed patents, all of which could have a material adverse impact on our business prospects and financial condition.

As referenced above, for example, courts in the U.S. continue to refine the heavily fact-and-circumstance-dependent jurisprudence defining the scope of patent protection available for therapeutics, narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. This creates uncertainty about our ability to obtain patents in the future and the value of such patents. 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. 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 existing patent portfolio and our ability to

protect and enforce our intellectual property in the future. We cannot provide assurance that future developments in U.S. Congress, the federal courts and the USPTO will not adversely impact our owned or in-licensed patents or patent applications. The laws and regulations governing patents could change in unpredictable ways that could weaken our and our licensors' ability to obtain new patents or to enforce our existing owned or in-licensed patents and patents that we might obtain or in-license in the future. Similarly, changes in patent law and regulations in other countries or jurisdictions or changes in the governmental bodies that enforce them or changes in how the relevant governmental authority enforces patent laws or regulations may have a material adverse effect on our and our licensors' ability to obtain new patents or to protect and enforce our owned or in-licensed patents or patents that we may obtain or in-license in the future.

We may be subject to lawsuits or litigation to protect or enforce our patents or other intellectual property, which could result in substantial costs and liability and prevent us from commercializing our potential products.

Third parties may attempt to invalidate our or our licensors' intellectual property rights via procedures including but not limited to patent infringement lawsuits, declaratory judgment actions, interferences, oppositions and *inter partes* reexamination proceedings before the USPTO, U.S. courts and foreign patent offices or foreign courts. An adverse determination in any such submission or proceeding could reduce the scope or enforceability of, or invalidate, our patent rights, which could adversely affect our competitive position. 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 invalid 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 invalidate our patent claims that would not have been invalidated if first challenged by the third party in a district court action. Even if such rights are not directly challenged, disputes could lead to the weakening of our or our licensors' intellectual property rights. Our defense against any attempt by third parties to circumvent or invalidate our intellectual property rights could be costly to us, could require significant time and attention of our management, and could have a material and adverse impact on our profitability, financial condition and prospects or ability to successfully compete.

We or our licensors may find it necessary to pursue claims or to initiate lawsuits to protect or enforce our owned or in-licensed patent or other intellectual property rights. The cost to us in defending or initiating any litigation or other proceeding relating to our owned or in-licensed patent or other intellectual property rights, even if resolved in our favor, could be substantial, particularly in a foreign jurisdiction, and any litigation or other proceeding would divert our management's attention. Such litigation or proceedings could materially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. Some of our competitors may be able to more effectively sustain the costs of complex patent litigation because they have substantially greater resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could delay our research and development efforts and materially limit our ability to continue our operations.

If we or our licensors were to initiate legal proceedings against a third party to enforce a patent covering one of our product candidates or our technology, the defendant could counterclaim that such patent 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, for example, claiming patent-ineligible subject matter, lack of novelty, indefiniteness, lack of written description, non-enablement, anticipation or obviousness. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO or made a misleading statement during prosecution. The outcome of such invalidity and unenforceability claims is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art of which we or our licensors and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we could lose at least part, and perhaps all, of the patent protection for one or more of our product candidates or certain aspects of our platform technologies. Such a loss of patent protection could have a material adverse effect on our business, financial condition, results of operations and prospects. Patents and other intellectual property rights also will not protect our product candidates and technologies if competitors or third parties design around such product candidates and technologies without legally infringing, misappropriating or violating our owned or in-licensed patents or other intellectual property rights.

Our European patents and patent applications could be challenged in the UPC. Though we may decide to opt out our European patents and patent applications from the UPC, if certain formalities and requirements are not met, our European patents and patent applications could be challenged for non-compliance and brought under the jurisdiction of the UPC. Potentially, a single proceeding under the UPC could result in loss of patent protection in numerous European countries rather than each validated country separately. Such a loss of patent protection could have a material adverse impact on our business and our ability to commercialize or license our technology and product candidates.

We may not be able to protect our intellectual property rights throughout the world, which could negatively impact our business.

Filing, prosecuting and defending patents on current or future technologies or product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some countries do not protect intellectual property rights to the same extent as laws in the United States. Consequently, we may not be able to prevent third parties from practicing our 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 countries. Competitors or other third parties may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and, further, may export infringing product candidates to territories where we have patent protection or licenses, but enforcement is not as strong as that in the United States. These product candidates may compete with our products, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Many companies have encountered significant difficulties in protecting and defending such rights in such jurisdictions. The legal systems of certain countries, including certain developing countries, do not favor the enforcement of patents and other intellectual property protection, particularly those relating to biotechnology, which could make it difficult for us to stop the infringement of any owned and in-licensed patents we may obtain in other countries, or the marketing of competing products in violation of our intellectual property and proprietary rights generally. Proceedings to enforce our owned or in-licensed intellectual property and proprietary rights in foreign jurisdictions could result in substantial costs and could divert our efforts and attention from other aspects of our business. Such proceedings could also put any owned or in-licensed patents at risk of being invalidated or interpreted narrowly, could put our owned or in-licensed patent applications at risk of not issuing, and could provoke third parties to assert claims against us or our licensors. We or our licensors may not prevail in any lawsuits or other adversarial proceedings that we or our licensors initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our and our licensors' efforts to enforce such intellectual property and proprietary rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or in-license.

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

Third parties may initiate legal proceedings alleging that we are infringing, misappropriating or violating their intellectual property rights, the outcome of which would be uncertain and could have a material adverse impact on the success of our business.

Our commercial success depends, in part, upon our ability or the ability of our potential future collaborators to develop, manufacture, market and sell our current or any future product candidates and to use our proprietary technologies without infringing, misappropriating or violating the proprietary and intellectual property rights of third parties. There is a substantial amount of litigation, both within and outside the United States, involving patent and other intellectual property rights in the biotechnology and pharmaceutical industries, including patent infringement lawsuits, interferences, oppositions and *inter partes* review proceedings before the USPTO, U.S. courts, foreign patent offices or foreign courts. As the field of gene and cell therapies advances, patent applications are being processed by national patent offices around the world. There is uncertainty about which patents will issue, and, if

they do, there is uncertainty as to when, to whom, and with what claims. Any claims of patent infringement asserted by third parties would be time consuming and could:

- result in costly litigation that may cause negative publicity;
- divert the time and attention of our technical personnel and management;
- cause development delays;
- prevent us from commercializing any of our product candidates until the asserted patent expires or is held finally invalid or not infringed in a court of law;
- require us to develop non-infringing technology, which may not be possible on a cost-effective basis;
- subject us to substantial damages for infringement, which we may have to pay if a court decides that the product candidate or technology at issue infringes on or violates the third party's rights, and, if the court finds that the infringement was willful, we could be ordered to pay treble damages and the patent owner's attorneys' fees; or
- require us to enter into royalty or licensing agreements, which may not be available on commercially reasonable terms, or at all, or which might be no exclusive, which could result in our competitors gaining access to the same technology.

Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise the funds necessary to continue our operations or could otherwise have a material adverse effect on our business, results of operations, financial condition and prospects.

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. Because patent applications can take many years to issue, there may also be currently pending patent applications that may later result in issued patents that our technology or product candidates may infringe. Further, we cannot guarantee that we are aware of all patents and patent applications potentially relevant to our technology or products. We may not be aware of potentially relevant third-party patents or applications for several reasons. For example, U.S. applications filed before November 29, 2000, and certain U.S. applications filed after that date that will not be filed outside the U.S. remain confidential until a patent issues. Patent applications filed in the United States (after November 29, 2000) and elsewhere are published approximately 18 months after the earliest filing for which priority is claimed, with such earliest filing date being commonly referred to as the priority date. Therefore, patent applications covering our product candidates or platform technologies could have been filed by others without our knowledge. Any such patent application may have priority over our patent applications or patents, which could require us to obtain rights to issued patents covering such technologies. Additionally, claims pending in patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our platform, our product candidates or the use of our technologies.

Although no third party has asserted a claim of patent infringement against us as of the date of this Quarterly Report, others may hold proprietary rights that could prevent our product candidates from being marketed. We or our licensors, or any future strategic collaborator, may be party to, or be threatened with, adversarial proceedings or litigation regarding intellectual property rights with respect to our current or any potential future product candidates and technologies, including derivation, reexamination, *inter partes* review or post-grant review before the USPTO and similar proceedings in jurisdictions outside of the United States such as opposition proceedings. In some instances, we may be required to indemnify our licensors for the costs associated with any such adversarial proceedings or litigation. Third parties may assert infringement claims against us, our licensors or our strategic

collaborators 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 or other adversarial proceedings with us, our licensors or our strategic collaborators to enforce or otherwise assert their patent rights. Even if we believe such claims are without merit, a court of competent jurisdiction could hold that these third-party patents are not invalid, enforceable and infringed, which could have a material adverse impact on our ability to utilize our platform technologies or to commercialize our current or any future product candidates. 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 by presenting clear and convincing evidence of invalidity. There is no assurance that a court of competent jurisdiction, even if presented with evidence we believe to be clear and convincing, would invalidate the claims of any such U.S. patent.

Further, we cannot guarantee that we will be able to successfully settle or otherwise resolve such adversarial proceedings or litigation. If we are unable to successfully settle future claims on terms acceptable to us, we may be required to engage in or to continue costly, unpredictable and time-consuming litigation and may be prevented from or experience substantial delays in marketing our product candidates. If we, or our licensors, or any future strategic collaborators are found to infringe, misappropriate or violate a third-party patent or other intellectual property rights, we could be required to pay damages, including treble damages and attorney's fees, if we are found to have willfully infringed. In addition, we, or our licensors, or any future strategic collaborators may choose to seek, or be required to seek, a license from a third party, which may not be available on commercially reasonable terms, if at all. Even if a license can be obtained on commercially reasonable terms, the rights may be non-exclusive, which could give our competitors access to the same technology or intellectual property rights licensed to us, and we could be required to make substantial licensing and royalty payments. Parties making claims against us may obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize our current or future product candidates. We could be forced, including by court order, to cease utilizing, developing, manufacturing and commercializing our platform technologies or product candidates deemed to be infringing. We may be forced to redesign current or future technologies or products. 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. Any of the foregoing could have a material adverse effect on our ability to generate revenue or achieve profitability and possibly prevent us from generating revenue sufficient to sustain our operations.

Thus, it is possible that one or more third parties will hold patent rights to which we will need a license, which may not be available on reasonable terms or at all. If such third parties refuse to grant us a license to such patent rights on reasonable terms or at all, we may be required to expend significant time and resources to redesign our technology, product candidates or the methods for manufacturing our product candidates, or to develop or license replacement technology, all of which may not be commercially or technically feasible. In such case, we may not be able to market such technology or product candidates and may not be able to perform research and development or other activities covered by these patents. This could have a material adverse effect on our ability to commercialize our product candidates and our business and financial condition.

Lastly, if our technology or products are found to infringe the intellectual property rights of third parties, these third parties may assert infringement claims against our licensees and other parties with whom we have business relationships, and we may be required to indemnify those parties for any damages they suffer as a result of these claims. The claims may require us to initiate or defend protracted and costly litigation on behalf of licensees and other parties regardless of the merits of these claims. If any of these claims succeed, we may be forced to pay damages on behalf of those parties or may be required to obtain licenses for the products they use.

Intellectual property litigation may lead to unfavorable publicity that harms our reputation and causes the market price of our shares of our common stock to decline.

During the course of any intellectual property litigation, there could be public announcements of the initiation of the litigation as well as results of hearings, rulings on motions and other interim proceedings or developments in the litigation. If securities analysts or investors regard these announcements as negative, the perceived value of our existing product candidates, approved products, programs or intellectual property could be diminished. Accordingly, the market price of shares of our common stock may decline. Such announcements could also harm our reputation or the market for our future products, which could have a material adverse effect on our business.

Intellectual property rights of third parties could adversely affect our ability to commercialize our current or future technologies or product candidates, and we might be required to litigate or obtain licenses from third

parties to develop or market our current or future technologies or product candidates, which may not be available on commercially reasonable terms or at all.

Because the gene and cell therapy landscape is still evolving, it is difficult to conclusively assess our freedom to operate without infringing, misappropriating or violating third-party rights. The scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent and the patent's prosecution history. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect. For example, we may incorrectly determine that our products are not covered by a third-party patent or may incorrectly predict whether a third-party's pending application will issue with claims of relevant scope. Also, our determination of the expiration date of any patent in the United States or abroad that we consider relevant may be incorrect.

There are numerous companies that have pending patent applications and issued patents broadly covering gene and cell therapy generally or covering related inventions that may be relevant for product candidates that we wish to develop. We are aware of third-party patents and patent applications that claim aspects of our current or potential future product candidates and modifications that we may need to apply to our current or potential future product candidates. There are also many issued patents that claim inventions that may be relevant to products we wish to develop. The holders of such patents may be able to block our ability to develop and commercialize the applicable product candidate unless we obtain a license or until such patent expires. In either case, such a license may not be available on commercially reasonable terms or at all, or it may be non-exclusive, which could result in our competitors gaining access to the same intellectual property.

Our competitive position may materially suffer if patents issued to third parties or other third-party intellectual property rights cover our current or future technologies, product candidates or elements thereof or our manufacture or uses relevant to our development plans. In such cases, we may not be in a position to develop or commercialize current or future technologies or product candidates unless we successfully pursue litigation to narrow or invalidate the third-party intellectual property right concerned, or enter into a license agreement with the intellectual property right holder, if available on commercially reasonable terms. There may be issued patents of which we are not aware, held by third parties that, if found to be valid and enforceable, could be alleged to be infringed by our current or future technologies or product candidates. There also may be pending patent applications of which we are not aware that may result in issued patents, which could be alleged to be infringed by our current or future technologies or product candidates. If such an infringement claim should successfully be brought, we may be required to pay substantial damages or be forced to abandon our current or future technologies or product candidates or to seek a license from any patent holders. No assurances can be given that a license will be available on commercially reasonable terms, if at all.

Third-party intellectual property right holders may also actively bring infringement, misappropriation, or other claims alleging violations of intellectual property rights against us. We cannot guarantee that we will be able to successfully settle or otherwise resolve such claims. If we are unable to successfully settle future claims on terms acceptable to us, we may be required to engage in or to continue costly, unpredictable and time-consuming litigation and may be prevented from or experience substantial delays in marketing our product candidates. If we fail in any such dispute, in addition to being forced to pay damages, we may be temporarily or permanently prohibited from commercializing any of our current or future technologies or product candidates that are held to be infringing, misappropriating or otherwise violating third-party intellectual property rights. We might, if possible, also be forced to redesign current or future technologies or product candidates so that we no longer infringe, misappropriate or violate the third-party intellectual property rights. Any of these events, even if we were ultimately to prevail, could require us to divert substantial financial and management resources that we would otherwise be able to devote to our business, which could have a material adverse effect on our financial condition and results of operations.

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

In addition to seeking patent protection for certain aspects of our current or future technologies and product candidates, we rely on trade secrets, including confidential and unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection. Elements of our product candidates, including processes for their preparation and manufacture, may involve proprietary know-how, information, or technology that is not covered by patents, and thus for these aspects we may consider trade secrets and know-how to

be our primary intellectual property. Our trade secrets include, for example, certain program specific synthesis, formulations, patient selection strategies and certain aspects of our research.

Trade secrets and know-how can be difficult to protect. We seek to protect trade secrets and confidential and unpatented know-how, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to such knowledge, such as our employees, corporate collaborators, outside scientific collaborators, contract research organizations, contract manufacturers, consultants, advisors and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants under which they are obligated to maintain confidentiality and to assign their inventions to us. However, we cannot be certain that such agreements have been entered into with all relevant parties, and we cannot be certain that our trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access (such as through a cybersecurity breach) to our trade secrets or independently develop substantially equivalent information and techniques. Moreover, individuals with whom we have such agreements may not comply with their terms. Any of these parties may breach such agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for any such breaches. In addition, we take other appropriate precautions, such as physical and technological security measures, to guard against misappropriation of our proprietary technology by third parties.

We may also become involved in inventorship disputes relating to inventions and patents developed by our employees or consultants under such agreements. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret, or securing title to an employee-or consultant-developed invention if a dispute arises, is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts in the United States and certain foreign jurisdictions disfavor or are 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, we would have no right to prevent that competitor from using the technology or information to compete with us. If, in the future, any of our trade secrets were to be disclosed to or independently developed by a competitor, our competitive position would be materially and adversely harmed.

We may be subject to claims that we or our employees or consultants have wrongfully used or disclosed alleged trade secrets or other proprietary information of third parties, including our employees' or consultants' former employers or their clients.

We are party to various contracts under which we are obligated to maintain the confidentiality of trade secrets or other confidential and proprietary information of third parties, including our licensors and strategic partners. In addition, many of our employees or consultants and our licensors' employees or consultants were previously employed at universities or biotechnology or biopharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that one or more of these employees or consultants or we have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of third parties, including former employers of our employees and consultants. Litigation or arbitration may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel or may be enjoined from using such intellectual property. Any such proceedings and possible aftermath would likely divert significant resources from our core business, including distracting our technical and management personnel from their normal responsibilities. A loss of key research personnel or their work product could limit our ability to commercialize, or prevent us from commercializing, our current or future technologies or product candidates, which could materially harm our business. Even if we are successful in defending against any such claims, litigation or arbitration could result in substantial costs and could be a distraction to management.

We may be subject to claims challenging the inventorship of our patents and other intellectual property.

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 patents as an inventor or co-inventor, or in our trade secrets or other intellectual property as a contributor to its development. The failure to name the proper inventors on a patent application can result in the patents issuing thereon being unenforceable. Inventorship disputes may arise from conflicting views

regarding the contributions of different individuals named as inventors, the effects of foreign laws where foreign nationals are involved in the development of the subject matter of the patent, conflicting obligations of third parties involved in developing our product candidates or as a result of questions regarding co-ownership of potential joint inventions. 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. 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 patents, trade secrets or other intellectual property. Alternatively, or additionally, we may enter into agreements to clarify the scope of our rights in such 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. 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.

Also, our licensors may have relied on third-party consultants or collaborators or on funds from third parties, such as the U.S. government, such that our licensors are not the sole and exclusive owners of the patents we in-licensed. If other third parties have ownership rights or other rights to our in-licensed patents, they may be able to license such patents to our competitors, and our competitors could market competing products and technology. This could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

Further, 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. 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. Such claims could have a material adverse effect on our business, financial condition, results of operations and prospects.

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 or 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 and in-licensed patents or applications and any patent rights we may own or in-license in the future. The USPTO and various non-U.S. patent offices require compliance with several procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply with these requirements, and we are also dependent on our licensors to take the necessary action to comply with these requirements with respect to our in-licensed intellectual property. In many cases, an inadvertent lapse, including due to the effect of a global health emergency such as the COVID-19 pandemic on us, our patent counsel or other applicable patent maintenance vendors, 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 or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. In such an event, potential competitors might be able to enter the market with similar or identical product candidates or platforms, which could have a material adverse effect on our business prospects and financial condition.

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.

We use and will continue to use registered and/or unregistered trademarks or trade names to brand and market ourselves and our products. Our trademarks or trade names may be challenged, infringed, circumvented, declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names or may be forced to stop using these names, which we use for name recognition by potential

collaborators or customers in our markets of interest. At times, competitors 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 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, we may not be able to compete effectively, and our business may be materially adversely affected.

We may also license our trademarks and trade names to third parties, such as distributors. Though these license agreements may provide guidelines for how our trademarks and trade names may be used, a breach of these agreements or misuse of our trademarks and trade names by our licensees may jeopardize our rights in or diminish the goodwill associated with our trademarks and trade names.

Intellectual property rights do not necessarily address all potential threats to our business.

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. The following examples are illustrative:

- others may be able to create gene circuit technologies that are similar to our technologies or our product candidates, but that are not covered by the claims of any patents that we own, license or control;
- we or any strategic collaborators might not have been the first to make the inventions covered by the issued patents or pending patent applications tha we own, license or control;
- we or our licensors might not have been the first to file patent applications covering certain of our owned and in-licensed inventions;
- others may independently develop the same, similar, or alternative technologies without infringing, misappropriating or violating our owned or in-licensed intellectual property rights;
- it is possible that our owned or in-licensed pending patent applications will not lead to issued patents;
- issued patents that we own, in-license, or control may not provide us with any competitive advantages, or may be narrowed or held invalid or unenforceable, including as a result of legal challenges;
- our competitors might conduct research and development activities in the United States and other countries that provide a safe harbor from patent infringement claims for certain research and development activities, as well as in countries where we do not have patent rights, and may then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may choose not to file a patent application in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent application covering such trade secrets or know-how; and
- the patents of others may have an adverse effect on our business.

Should any of these events occur, they could have a material adverse impact on our business, financial condition, results of operations and prospects.

Risks Related to Government Regulation

Clinical development includes a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.

All of our current product candidates are in preclinical development and their risk of failure is high. It is impossible to predict when or if our candidates or any potential future product candidates will prove effective 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 studies for our current product candidates and then conduct extensive clinical trials to demonstrate the safety, purity and potency, or efficacy of that product candidate in humans. Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the development process. The results of preclinical studies and clinical trials of any of our current or potential future product candidates may not be predictive of the results of later-stage clinical trials. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials. A number of companies in the pharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or safety profiles, notwithstanding promising results in earlier trials.

We are currently conducting IND-enabling studies for our current product candidates. We may experience delays in completing our preclinical studies and initiating or completing our clinical studies. We do not know whether planned preclinical studies and clinical trials will be completed on schedule or at all, or whether planned clinical trials will begin on time, need to be redesigned, enroll patients on time or be completed on schedule, if at all. Our development programs may be delayed for a variety of reasons, including delays related to:

- the FDA or other regulatory authorities requiring us to submit additional data or imposing other requirements before permitting us to initiate a clinica trial;
- obtaining regulatory approval to commence a clinical trial;
- reaching agreement on acceptable terms with prospective CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical trial sites;
- obtaining IRB or ethics committee approval at each clinical trial site;
- recruiting suitable patients to participate in a clinical trial;
- having patients complete a clinical trial or return for post-treatment follow-up;
- clinical trial sites deviating from trial protocol or dropping out of a trial;
- the FDA placing the clinical trial on hold;
- subjects failing to enroll or remain in our trial at the rate we expect;
- subjects choosing an alternative treatment for the indication for which we are developing or other product candidates, or participating in competing clinical trials;
- lack of adequate funding to continue the clinical trial;
- subjects experiencing severe or unexpected drug-related adverse events;

- any changes to our manufacturing process that may be necessary or desired;
- adding new clinical trial sites; and
- manufacturing sufficient quantities of our product candidates for use in clinical trials.

Furthermore, we expect to rely on our CROs and clinical trial sites to ensure the proper and timely conduct of our clinical trials and, while we expect to enter into agreements governing their committed activities, we have limited influence over their actual performance.

We could encounter delays if prescribing physicians encounter unresolved ethical issues associated with enrolling patients in clinical trials of our current or potential future product candidates in lieu of prescribing existing treatments that have established safety and efficacy profiles. Further, a clinical trial may be suspended or terminated by us, our collaborators, the IRBs of the institutions in which such trials are being conducted, the Data Safety Monitoring Board for such trial or by the FDA or other regulatory authorities 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 drug or therapeutic biologic, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial.

Moreover, principal investigators for our clinical trials may serve as scientific advisors or consultants to us from time to time and receive cash or equity compensation in connection with such services. If these relationships and any related compensation result in perceived or actual conflicts of interest, or a regulatory authority concludes that the financial relationship may have affected the interpretation of the trial, the integrity of the data generated at the applicable clinical trial site may be questioned and the utility of the clinical trial itself may be jeopardized, which could result in the delay or rejection of the marketing application we submit. Any such delay or rejection could prevent or delay us from commercializing our current or future product candidates.

If we experience delays in the completion of, or termination of, any clinical trial of any of our current or potential future product candidates, the commercial prospects of such product candidate will be harmed, and our ability to generate product revenue from such product candidates will be delayed. In addition, any delays in completing our clinical trials will increase our costs, slow our product development and approval process and jeopardize our ability to commence product sales and generate revenue. Any of these occurrences may have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our current or potential future product candidates.

We may be unable to obtain U.S. or foreign regulatory approval and, as a result, be unable to commercialize our current or potential future product candidates.

Our current and any potential future product candidates are subject to extensive governmental regulations relating to, among other things, research, testing, development, manufacturing, safety, efficacy, approval, recordkeeping, reporting, labeling, storage, packaging, advertising and promotion, pricing, marketing and distribution of therapeutic biologics. Rigorous preclinical testing and clinical trials and an extensive regulatory approval process are required to be successfully completed in the U.S. and in many foreign jurisdictions before a new drug or therapeutic biologic can be marketed. Satisfaction of these and other regulatory requirements is costly, time-consuming, uncertain and subject to unanticipated delays. It is possible that none of the product candidates we may develop will obtain the regulatory approvals necessary for us or our potential future collaborators to begin selling them.

We have very limited experience in conducting and managing the clinical trials necessary to obtain regulatory approvals, including approval by the FDA and other regulatory authorities. The time required to obtain FDA and other approvals is unpredictable but typically takes many years following the commencement of clinical trials, depending upon the type, complexity and novelty of the product candidate. The standards that the FDA and its foreign counterparts use when regulating us require judgment and can change, which makes it difficult to predict

with certainty how they will be applied. Any analysis we perform of data from preclinical and clinical activities is subject to confirmation and interpretation by regulatory authorities, which could delay, limit or prevent regulatory approval. We may also encounter unexpected delays or increased costs due to new government regulations, for example, from future legislation or administrative action, or from changes in regulatory policy during the period of product development, clinical trials and FDA regulatory review in the United States and other jurisdictions. It is impossible to predict whether legislative changes will be enacted, or whether FDA or foreign regulations, guidance or interpretations will be changed, or what the impact of such changes, if any, may be.

Any delay or failure in obtaining required approvals could have a material adverse effect on our ability to generate revenue from the particular product candidate for which we are seeking approval. Further, we and our potential future collaborators may never receive approval to market and commercialize any product candidate. Even if we or a potential future collaborator obtains regulatory approval, the approval may be for targets, disease indications or patient populations that are not as broad as we intended or desired or may require labeling that includes significant use or distribution restrictions or safety warnings.

Once a product obtains regulatory approval, numerous post approval requirements apply, including periodic monitoring and reporting obligations, review of promotional material, reports on ongoing clinical trials and adverse events and inspections of manufacturing facilities. In addition, material changes to approved products, including any changes to the manufacturing process or labeling, require further review by the appropriate authorities before marketing. Approvals may also be withdrawn or revoked due to safety, effectiveness or potency concerns, including as a result of adverse events reported in patients or ongoing clinical trials, or failure to comply with cGMP. In addition to revocation or withdrawal of approvals, we and our partners may be subject to warnings, fines, recalls, criminal prosecution or other sanctions if we fail to comply with regulatory requirements. If we or our partners are unable to obtain or maintain regulatory approvals for our products and product candidates, our business, financial position, results of operations and future growth prospects will be negatively impacted and we or our partners may be subject to sanctions. If any of our product candidates prove to be ineffective, unsafe or commercially unviable, we may have to re-engineer our current or potential future product candidates, and our entire pipeline could have little, if any, value, which could require us to change our focus and approach to product candidate discovery and therapeutic development, which would have a material adverse effect on our business, financial condition, results of operations and prospects.

We will also be subject to numerous foreign regulatory requirements governing, among other things, the conduct of clinical trials, manufacturing and marketing authorization, pricing and third-party reimbursement. The foreign regulatory approval process varies among countries and may include all of the risks associated with FDA approval described above as well as risks attributable to the satisfaction of local regulations in foreign jurisdictions. Moreover, the time required to obtain approval may differ from that required to obtain FDA approval.

Obtaining and maintaining regulatory approval of our product candidates in one jurisdiction does not mean that we will be successful in obtaining regulatory approval of our product candidates in other jurisdictions.

If we succeed in developing any products, we intend to market them in the United States as well as the European Union and other foreign jurisdictions. In order to market and sell our products in other jurisdictions, we must obtain separate marketing approvals and comply with numerous and varying regulatory requirements.

Obtaining and maintaining regulatory approval of our product candidates in one jurisdiction does not guarantee that we will be able to obtain or maintain regulatory approval in any other jurisdiction, but a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory approval process in others. For example, even if the FDA or EMA grants marketing approval of a product candidate, comparable regulatory authorities in foreign jurisdictions must also approve the manufacturing, marketing and promotion of the product candidate in those countries. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from those in the United States, including additional preclinical studies or clinical trials as clinical trials conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. In many jurisdictions outside the United States, a product candidate must be approved for reimbursement before it can be approved for sale in that jurisdiction. In some cases, the price that we intend to charge for our products is also subject to approval.

Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties and costs for us and could delay or prevent the introduction of our products in certain

countries. If we or any partner we work with fail to comply with the regulatory requirements in international markets or fail to receive applicable marketing approvals, our target market will be reduced, and our ability to realize the full market potential of our product candidates will be harmed.

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

We may in the future choose to conduct one or more of our 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. In cases 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 (i) those data are applicable to the U.S. population and U.S. medical practice; (ii) the studies were performed by clinical investigators of recognized competence; and (iii) 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 requires the clinical trial to have been conducted in accordance with GCPs, and the FDA must be able to validate the data from the clinical trial through an on-site inspection if it deems such inspection necessary. For such studies 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. 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.

Many foreign regulatory bodies have similar approval requirements. In addition, such foreign trials would be subject to the applicable local laws of the foreign jurisdictions where the trials are conducted. There can be no assurance that the FDA or any similar foreign regulatory authority will accept data from trials conducted outside of the United States or the applicable jurisdiction. If the FDA or any similar foreign regulatory authority does not accept such data, it would result in the need for additional trials, which would be costly and time-consuming and delay aspects of our business plan, and which may result in our product candidates not receiving approval or clearance for commercialization in the applicable jurisdiction.

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.

Even if we receive regulatory approval for any of our current or potential future product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense. Additionally, our current or potential future product candidates, if approved, could be subject

to labeling and other restrictions and market withdrawal and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our products.

Any regulatory approvals that we or potential future collaborators obtain for any of our current or potential future product candidates will be subject to limitations on the approved indicated uses for which a product may be marketed or may be subject to the conditions of approval, or contain requirements for potentially costly post-marketing testing, and surveillance to monitor the safety and efficacy of such product candidate. In addition, if the FDA or any other regulatory authority approves any of our current or potential future product candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, import, export, advertising, promotion and recordkeeping for such product will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with cGMP and good clinical practices for any clinical trials that we conduct post-approval. In addition, manufacturers and manufacturers' facilities are required to comply with extensive FDA and comparable foreign regulatory authority requirements, including registering their establishments with the FDA and certain state agencies, ensuring that quality control and manufacturing procedures conform to cGMP and cGTP regulations and applicable product tracking and tracing requirements. Manufacturing facilities are subject to periodic announced and unannounced inspections by the FDA and certain state agencies for compliance with cGMP requirements and other regulatory requirements. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance. The discovery of violative conditions, including failure to conform to cGMP regulations, could result in enforcement actions.

Later discovery of previously unknown problems with a product candidate, 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 candidate, withdrawal of the product candidate from the market or voluntary or mandatory product recalls;
- fines, warning letters, untitled letters or holds on clinical trials;
- refusal by the FDA to approve pending applications or supplements to approved applications filed by us or our strategic collaborators;
- suspension or revocation of product approvals;
- suspension of any ongoing clinical trials;
- product seizure or detention or refusal to permit the import or export of products; and
- injunctions or the imposition of civil or criminal penalties or monetary fines.

The occurrence of any event or penalty described above may inhibit our ability to commercialize our product candidates and generate revenue.

The FDA has the authority to require a risk evaluation and mitigation strategy ("REMS") as part of a biologics license application, or BLA, or after approval, which may impose further requirements or restrictions on the distribution or use of an approved product, such as limiting prescribing to certain physicians or medical centers that have undergone specialized training, limiting treatment to patients who meet certain safe-use criteria and requiring treated patients to enroll in a registry.

Furthermore, the FDA strictly regulates marketing, labeling, advertising and promotion of products that are placed on the market. Products may be promoted only for the approved indications and in accordance with the provisions of the approved label. While physicians may prescribe, in their independent professional medical judgment, products for off-label uses as the FDA does not regulate the behavior of physicians in their choice of drug

treatments, the FDA does restrict a manufacturer's communications on the subject of off-label use of their products. Companies may only share truthful and not misleading information that is otherwise consistent with a product's FDA approved labeling. The FDA and other authorities 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 including, among other things, adverse publicity, warning letters, corrective advertising and potential civil and criminal penalties. 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 authorities have also required that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed.

Occurrence of any of the foregoing could have a material adverse effect on our business and results of operations. The FDA's and other regulatory authorities' policies may change, and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. 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 and we may not achieve or sustain profitability, which would adversely affect our business.

Any product candidates for which we intend to seek approval as biologic products may face competition sooner than anticipated.

The Affordable Care Act includes a subtitle called the Biologics Price Competition and Innovation Act of 2009, or BPCIA, which created an abbreviated approval pathway for biological products that are biosimilar to or interchangeable with an FDA-licensed reference biological product. Under the BPCIA, an application for a biosimilar product may not be submitted to the FDA until four years following the date that the reference product was first licensed by the FDA. In addition, the approval of a biosimilar product may not be made effective by the FDA until twelve years from the date on which the reference product was first licensed. During this twelve-year period of exclusivity, another company may still market a competing version of the reference product if the FDA approves a full BLA for the competing product containing the sponsor's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity and potency of its product. The law is complex. The BPCIA could have a material adverse effect on the future commercial prospects for our biological products.

We believe that any of our future product candidates approved as a biological product under a BLA should qualify for the twelve-year period of exclusivity. However, there is a risk that this exclusivity could be shortened due to Congressional action or otherwise, or that the FDA will not consider our product candidates to be reference products for competing products, potentially creating the opportunity for generic competition sooner than anticipated. Other aspects of the BPCIA, some of which may impact the BPCIA exclusivity provisions, have also been the subject of recent litigation. Moreover, the extent to which a biosimilar, once approved, could be substituted for any one of our reference products in a way that is similar to traditional generic substitution for non-biological products will depend on a number of marketplace and regulatory factors that are still developing.

Healthcare legislative reform measures may have a material adverse effect on our business and results of operations.

The United States and several other jurisdictions are considering, or have already enacted, a number of legislative and regulatory proposals to change the healthcare system in ways that could affect our ability to sell any of our product candidates profitably, if approved. Among policy-makers and payers in the United States and elsewhere, there is significant interest in promoting changes in healthcare systems, with the stated goals of containing healthcare costs, improving quality and expanding access to healthcare. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by major legislative initiatives. See section titled "*Business - Government Regulation – Healthcare Reform*" in the Annual Report on Form 10-K for the year ended December 31, 2022.

There has been increasing legislative and enforcement interest in the United States with respect to drug pricing practices. The Inflation Reduction Act of 2022, or IRA includes several provisions that may impact our business to varying degrees, including provisions that reduce the out-of-pocket spending cap for Medicare Part D beneficiaries from $7,050 to $2,000 starting in 2025, thereby effectively eliminating the coverage gap; impose new manufacturer financial liability on certain drugs under Medicare Part D, allow the U.S. government to negotiate Medicare Part B and Part D price caps for certain high-cost drugs and biologics without generic or biosimilar competition; require companies to pay rebates to Medicare for certain drug prices that increase faster than inflation; and delay until January 1, 2032 the implementation of the HHS rebate rule that would have limited the fees that pharmacy benefit managers can charge. Further, under the IRA, orphan drugs are exempted from the Medicare drug price negotiation program, but only if they have one orphan designation and for which the only approved indication is for that disease or condition. If a product receives multiple orphan designations or has multiple approved indications, it may not qualify for the orphan drug exemption. The implementation of the IRA is currently subject to ongoing litigation challenging the constitutionality of the IRA's Medicare drug price negotiation program. The effects of the IRA on our business and the healthcare industry in general is not yet known.

In addition, President Biden has issued multiple executive orders that have sought to reduce prescription drug costs. In February 2023, HHS also issued a proposal in response to an October 2022 executive order from President Biden that includes a proposed prescription drug pricing model that will test whether targeted Medicare payment adjustments will sufficiently incentivize manufacturers to complete confirmatory trials for drugs approved through FDA's accelerated approval pathway. Although a number of these and other proposed measures may require authorization through additional legislation to become effective, and the Biden administration may reverse or otherwise change these measures, both the Biden administration and Congress have indicated that they will continue to seek new legislative measures to control drug costs.

We cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, insurance companies, managed care organizations, and other payers of healthcare services to contain or reduce the costs of healthcare may adversely affect:

- the demand for any of our product candidates, if approved;
- our ability to set a price that we believe is fair for any of our product candidates, if approved;
- our ability to generate revenues or maintain profitability;
- the level of taxes that we are required to pay; and
- the availability of capital.

Legislative and regulatory proposals have been made to expand post-approval requirements and to restrict sales and promotional activities for pharmaceutical and biologic products. We cannot be sure whether additional legislative changes will be enacted, or whether FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals of our product candidates, if any, may be. In addition, increased scrutiny by Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject us to more stringent product labeling and post-marketing testing and other requirements.

Moreover, increasing efforts by governmental and third-party payors in the United States and abroad to cap or reduce healthcare costs may cause such organizations to limit both coverage and the level of reimbursement for newly approved products and, as a result, they may not cover or provide adequate payment for our product candidates, if approved.. There has been increasing legislative and enforcement interest in the United States with respect to specialty drug pricing practices. Specifically, there have been several recent 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, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs.

We expect that the healthcare reform measures that have been adopted and may be adopted in the future, may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved product and could harm our future revenues. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost

containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or commercialize our products.

Failure to comply with health and data protection laws and regulations could lead to government enforcement actions (which could include civil or criminal penalties), private litigation or adverse publicity and could negatively affect our operating results and business.

We may collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect and share personal information, health information and other sensitive information to develop our products, to operate our business, for clinical trial purposes, for legal and marketing purposes, and for other business-related purposes.

We and any potential future collaborators, partners or service providers may be subject to federal, state and foreign data protection laws, regulations and regulatory guidance, the number and scope of which is changing, subject to differing applications and interpretations, and which may be inconsistent among jurisdictions, or in conflict with other rules, laws or contractual obligations. In the United States, numerous federal and state laws and regulations, including federal health information privacy laws, such as the Health Insurance Portability and Accountability Act ("HIPAA"), state data breach notification laws, state health information privacy laws and federal and state consumer protection laws, that govern the collection, use, disclosure and protection of health-related and other personal information could apply to our operations or the operations of any future potential collaborators or service providers.

In addition, we may obtain health information from third parties (including research institutions from which we obtain clinical trial data) that are subject to privacy and security requirements under HIPAA, or other privacy and data security laws. Depending on the facts and circumstances, we could be subject to civil or criminal penalties if we obtain, use, or disclose individually identifiable health information maintained by a HIPAA-covered entity in a manner that is not authorized or permitted by HIPAA, or if we otherwise violate applicable privacy and data security laws.

International data protection laws, including the EU's General Data Protection Regulation, and the UK's implementation of the same, or GDPR, may also apply to health-related and other personal information obtained outside of the United States. The GDPR imposes stringent data protection requirements for processing personal data of individuals within the European Economic Area, or EEA, and the UK, as well as potential fines for noncompliant companies of up to the greater of €20 million (£17.5 million) or 4% of annual global revenue. The GDPR imposes numerous requirements for the collection, use and disclosure of personal data, including stringent requirements relating to consent and the information that must be shared with data subjects about how their personal information is used, the obligation to notify regulators and affected individuals of personal data breaches, extensive internal privacy governance obligations and obligations to honor expanded rights of individuals in relation to their personal information.

In addition, the GDPR places restrictions on cross-border data transfers. On June 4, 2021, the European Commission issued new forms of standard contractual clauses (one of the primary mechanisms for U.S. companies to import personal information from Europe) for data transfers from controllers or processors in the EEA (or otherwise subject to the GDPR) to controllers or processors established outside the EEA (and not subject to the GDPR). The new standard contractual clauses do not apply in the UK, but the UK Information Commissioner's Office issued a UK-specific transfer mechanism, the International Data Transfer Agreement. We are required to transition to the new forms of transfer mechanisms and doing so will require significant effort and cost. The new transfer mechanisms may also impact our business as companies based in Europe may be reluctant to utilize the new clauses to legitimize transfers of personal information to third countries given the burdensome requirements of transfer impact assessments and the substantial obligations that the new standard contractual clauses impose upon exporters. If we are investigated by a European data protection authority, we may face fines and other penalties. Any such investigation or charges by European data protection authorities could have a negative effect on our existing business and on our ability to attract and retain new clients or pharmaceutical partners. We may also experience hesitancy, reluctance, or refusal by European or multi-national clients or pharmaceutical partners to continue to use our products due to the potential risk exposure as a result of the current (and, in particular, future) data protection obligations imposed on them by certain data protection authorities in interpretation of current law, including the GDPR. Such clients or pharmaceutical partners may also view any alternative approaches to compliance as being too costly, too burdensome, too legally uncertain, or otherwise objectionable and therefore decide not to do business

with us. Any of the foregoing could materially harm our business, prospects, financial condition, and results of operations.

The GDPR has increased our responsibilities and potential liability in relation to personal data processed subject to the GDPR, and we may be required to put in place additional mechanisms to ensure compliance with the GDPR, including as implemented by individual countries. In addition, any failure by us (or our business partners who handle personal data) to comply with GDPR and applicable laws and regulations relating to privacy and data protection of EEA member states and the UK may result in regulators prohibiting our processing of the personal data of EEA and UK data subjects, which could impact our operations and ability to develop our products and provide our services, including interrupting or ending EEA and UK clinical trials.

In the U.S., state laws also govern the privacy and security of personal information and states are constantly adopting new laws or amending existing laws, requiring attention to frequently changing regulatory requirements. For example, the California Consumer Privacy Act, as amended by the California Privacy Rights Act (the "CCPA") gives California residents expanded rights to access, correct, and delete their personal information, opt out of certain personal information sharing and certain uses of sensitive data, and receive detailed information about how their personal information is used by requiring covered companies to provide disclosures to California consumers (as that term is broadly defined and includes any of our current or future employees who may be California residents) and provide such residents ways to opt-out of certain sales of personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches and statutory damages, which is expected to increase data breach class action litigation and result in significant exposure to costly legal judgments and settlements. It will also create a new California data protection agency authorized to issue substantive regulations which could result in increased privacy and information security enforcement. Although the law includes limited exceptions for health-related information, including clinical trial data, such exceptions may not apply to all of our operations and processing activities. As we expand our operations and trials (both preclinical and clinical), the CCPA may increase our compliance costs and potential liability. Beyond the CCPA, broad and comprehensive privacy and data protection legislation has been passed in another twelve states. In addition, certain states have passed privacy laws focused on particular types of data. For example, the state of Washington has enacted a law that protects the privacy of health and medical information not subject to HIPAA and a small number of states have laws that apply specifically to biometric information. Furthermore, other U.S. states, such as New York, Massachusetts, and Utah, have enacted stringent data security laws, and numerous other states have proposed similar privacy laws. In the event that we are subject to or affected by HIPAA, the GDPR, the CCPA, the CPRA or other domestic privacy and data protection laws, any liability from failure to comply with the requirements of these laws could adversely affect our financial condition.

Compliance with U.S. and international data protection laws and regulations could require us to take on more onerous obligations in our contracts, restrict our ability to collect, use and disclose data, or in some cases, impact our ability to operate in certain jurisdictions. Laws and regulations worldwide relating to privacy, data protection and cybersecurity are, and are likely to remain, uncertain for the foreseeable future. While we strive to comply with applicable laws and regulations relating to privacy, data protection and cybersecurity, external and internal privacy and security policies and contractual obligations relating to privacy, data protection and cybersecurity to the extent possible, we may at times fail to do so, or may be perceived to have failed to do so. Moreover, despite our efforts, we may not be successful in achieving compliance if our personnel, collaborators, partners or vendors do not comply with applicable laws and regulations relating to privacy, data protection and cybersecurity, external and internal privacy and security policies and contractual obligations relating to privacy, data protection and cybersecurity. Actual or perceived failure to comply with any laws and regulations relating to privacy, data protection or cybersecurity in the U.S. or foreign jurisdictions could result in government enforcement actions (which could include civil or criminal penalties), private litigation or adverse publicity and could negatively affect our operating results and business. Moreover, clinical trial subjects about whom we or our potential collaborators or service providers obtain information, as well as the providers who share this information with us, may contractually limit our ability to use and disclose the information. Claims that we have violated individuals' privacy rights, failed to comply with applicable laws or regulations, or breached our contractual obligations, even if we are not found liable, could be expensive and time consuming to defend, result in regulatory actions and proceedings, in addition to private claims and litigation, and could result in adverse publicity that could harm our business.

We also are, or may be asserted to be, subject to the terms of our external and internal privacy and security policies, representations, certifications, publications and frameworks and contractual obligations to third parties

related to privacy, data protection, information security and processing. Failure to comply or the perceived failure to comply with any of these, or if any of these policies or any of our representations, certifications, publications or frameworks are, in whole or part, found or perceived to be inaccurate, incomplete, deceptive, unfair or misrepresentative of our actual practices, could result in reputational harm, result in litigation, cause a material adverse impact to business operations or financial results and otherwise result in other material harm to our business.

If we or our existing or potential future collaborators, manufacturers or service providers fail to comply with healthcare laws and regulations, we or they could be subject to enforcement actions, which could affect our ability to develop, market and sell our product candidates and may harm our reputation.

Healthcare providers, physicians and third-party payors, among others, will play a primary role in the prescription and recommendation of any product candidates for which we obtain marketing approval. Our current and future arrangements with third-party payors, providers and customers, among others, 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 market, sell and distribute our product candidates for which we obtain marketing approval. See section titled *"Business - Government Regulation - Other U.S. Healthcare Laws" in the Annual Report on Form 10-K for the year ended December 31, 2022.*

The scope and enforcement of each of these laws is uncertain and subject to rapid change in the current environment of healthcare reform. Federal and state enforcement bodies have recently increased their scrutiny of interactions between healthcare companies and healthcare providers, which 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. It is possible that governmental authorities will conclude that our business practices do not comply with current of future statures, 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 use, 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, individual imprisonment, reputational harm, and 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 exclusion from government funded healthcare programs and imprisonment. If any of the above occur, our ability to operate our business and our results of operations could be adversely affected.

If we fail to comply with U.S. and foreign regulatory requirements, regulatory authorities could limit or withdraw any marketing or commercialization approvals we may receive and subject us to other penalties that could materially harm our business.

Even if we receive marketing and commercialization approval of a product candidate, we will be subject to continuing regulatory requirements, including in relation to adverse patient experiences with the product and clinical results that are reported after a product is made commercially available, both in the United States and any foreign jurisdiction in which we seek regulatory approval. The FDA and other regulatory authorities have significant post- market authority, including the authority to require labeling changes based on new safety information and to require post-market studies or clinical trials to evaluate safety risks related to the use of a product or to require withdrawal of the product candidate from the market. The FDA and other regulatory authorities also have the authority to require a REMS after approval, which may impose further requirements or restrictions on the distribution or use of an approved drug or therapeutic biologic. The manufacturer and manufacturing facilities we use to make a future product, if any, will also be subject to periodic review and inspection by the FDA and other regulatory authorities, including for continued compliance with cGMP and cGTP requirements. The discovery of any new or previously unknown problems with our third-party manufacturers, manufacturing processes or facilities may result in restrictions on the product candidate, manufacturer or facility, including withdrawal of the product candidate from

the market. We intend to rely on third-party manufacturers and we will not have control over compliance with applicable rules and regulations by such manufacturers. Any product promotion and advertising will also be subject to regulatory requirements and continuing regulatory review. If we or our existing or future collaborators, manufacturers or service providers fail to comply with applicable continuing regulatory requirements in the U.S. or foreign jurisdictions in which we seek to market our products, we or they may be subject to, among other things, fines, warning letters, holds on clinical trials, delay of approval or refusal by the FDA or other regulatory authorities to approve pending applications or supplements to approved applications, suspension or withdrawal of regulatory approval, product recalls and seizures, administrative detention of products, refusal to permit the import or export of products, operating restrictions, injunction, civil penalties and criminal prosecution.

Even if we are able to commercialize any product candidate, such product candidate may become subject to unfavorable pricing regulations or third-party coverage and reimbursement policies, which would harm our business.

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. Further, due to the COVID-19 pandemic, millions of individuals have lost employer-based insurance coverage, which may adversely affect our ability to commercialize our products. It is unclear what effect, if any, the American Rescue Plan will have on the number of covered individuals. See section titled "*Business - Government Regulation - Coverage and Reimbursement" in the Annual Report on Form 10-K for the year ended December 31, 2022.*

Patients who are prescribed medications for the treatment of their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their prescription drugs. Coverage and adequate reimbursement from government healthcare programs, such as Medicare and Medicaid, and private health insurers are critical to new product acceptance. Patients are unlikely to use our future products, if any, unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost. Obtaining coverage and adequate reimbursement for our product candidates may be particularly difficult because of the higher prices often associated with drugs administered under the supervision of a physician. Similarly, because our product candidates are physician-administered, separate reimbursement for the product itself may or may not be available. Instead, the administering physician may or may not be reimbursed for providing the treatment or procedure in which our product is used.

Cost-containment is a priority in the U.S. healthcare industry and elsewhere. As a result, government authorities and other third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. 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. Third-party payors also may request additional clinical evidence beyond the data required to obtain marketing approval, requiring a company to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of its product. Commercial third-party payors often rely upon Medicare coverage policy and payment limitations in setting their reimbursement rates, but also have their own methods and approval process apart from Medicare determinations. Therefore, coverage and reimbursement for pharmaceutical products in the U.S. can differ significantly from payor to payor. We cannot be sure that coverage and adequate reimbursement will be available for any product that we commercialize and, if reimbursement is available, that the level of reimbursement will be adequate. Coverage and reimbursement may impact the demand for, or the price of, any product candidate for which we obtain marketing approval. If coverage and reimbursement are not available or are available only at limited levels, we may not be able to successfully commercialize any product candidate for which we obtain marketing approval.

Additionally, the regulations that govern regulatory approvals, pricing and reimbursement for new drugs and therapeutic biologics vary widely from country to country. Some countries require approval of the sale price of a drug or therapeutic biologic before it can be marketed. In many countries, the pricing review period begins after marketing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain regulatory approval for a product in a particular country, but then be subject to price regulations that delay our commercial launch of the product, possibly for lengthy time periods, and negatively impact the revenues we are able to generate

from the sale of the product in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more product candidates, even if our product candidates obtain regulatory approval.

We are subject to U.S. and foreign anti-corruption and anti-money laundering laws with respect to our operations and non-compliance with such laws can subject us to criminal or civil liability and harm our business.

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, and possibly other state and national anti-bribery and anti-money laundering laws in countries in which we conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, third-party intermediaries, joint venture partners and collaborators from authorizing, promising, offering or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. We interact with officials and employees of government agencies and government-affiliated hospitals, universities and other organizations. In addition, we may engage third-party intermediaries to promote our clinical research activities abroad or to obtain necessary permits, licenses and other regulatory approvals. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, collaborators and agents, even if we do not explicitly authorize or have actual knowledge of such activities.

We adopted a Code of Business Conduct and Ethics and we expect to prepare and implement policies and procedures to ensure compliance with such code. The Code of Business Conduct and Ethics mandates compliance with the FCPA and other anti-corruption laws applicable to our business throughout the world. However, we cannot assure you that our employees and third-party intermediaries will comply with this code or such anti-corruption laws. Noncompliance with anti-corruption and anti-money laundering laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, suspension or debarment from contracting with certain persons, the loss of export privileges, reputational harm, adverse media coverage and other collateral consequences. If any subpoenas, investigations or other enforcement actions are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, results of operations and financial condition could be materially harmed. In addition, responding to any action will likely result in a materially significant diversion of management's attention and resources and significant defense and compliance costs and other professional fees. In certain cases, enforcement authorities may even cause us to appoint an independent compliance monitor which can result in added costs and administrative burdens.

Risks Related to Senti and the shares of our common stock

Our stock price is volatile, and you could lose part of all of your investment.

Similar to the trading prices of the common stock of other biotechnology companies, the trading price of our common stock is subject to wide fluctuations in response to various factors, some of which are beyond our control, including limited trading volume. The market price for our shares of our Common Stock may be influenced by many factors, including the other risks described in the section of the Quarterly Report entitled "*Risk Factors*" and the following:

- our ability to advance our current or potential future product candidates into the clinic;
- results of preclinical studies for our current or potential future product candidates, or those of our competitors or potential future collaborators;
- the impact of macroeconomic conditions;
- regulatory or legal developments in the United States and other countries, especially changes in laws or regulations applicable to our future products;
- our ability to successfully construct and operate our planned cGMP and cGTP facility;

- the success of competitive products or technologies;
- introductions and announcements of new products by us, our future commercialization collaborators, or our competitors, and the timing of these introductions or announcements;
- actions taken by regulatory authorities with respect to our future products, clinical trials, manufacturing process or sales and marketing terms;
- actual or anticipated variations in our financial results or those of companies that are perceived to be similar to us;
- the success of our efforts to acquire or in-license additional technologies, products or product candidates;
- developments concerning any future collaborations, including, but not limited to, those with any sources of manufacturing supply and future commercialization collaborators;
- market conditions in the pharmaceutical and biotechnology sectors;
- market conditions and sentiment involving companies that have recently completed a business combination with a special purpose acquisition company, or SPAC;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint ventures or capital commitments;
- developments or disputes concerning patents or other proprietary rights, including patents, litigation matters and our ability to obtain patent protectio for our products;
- our ability or inability to raise additional capital and the terms on which it is raised;
- the recruitment or departure of key personnel;
- changes in the structure of healthcare payment systems;
- actual or anticipated changes in earnings estimates or changes in stock market analyst recommendations regarding our common stock, other comparal companies or the industry generally;
- our failure or the failure of our competitors to meet analysts' projections or guidance that we or our competitors may give to the market;
- fluctuations in the valuation of companies perceived by investors to be comparable to us;
- announcement and expectation of additional financing efforts;
- speculation in the press or investment community;

- trading volume of shares of our common stock;
- sales of our common stock by us or our stockholders;
- the concentrated ownership of shares of our common stock;
- changes in accounting principles;
- terrorist acts, acts of war or periods of widespread civil unrest;
- natural disasters, public health crises and other calamities; and
- general economic, industry and market conditions.

In addition, the stock markets in general, and the markets for SPAC post-Merger businesses, pharmaceutical, biopharmaceutical and biotechnology stocks in particular, have experienced extreme volatility, including since the public announcement of the Business Combination Agreement in December 2021. This volatility can often be unrelated to the operating performance of the underlying business. These broad market and industry factors may seriously harm the market price of shares of our common stock, regardless of our operating performance. In the past, securities class action litigation has often been instituted against companies following periods of volatility in the market price of a company's securities. This type of litigation, if instituted, could result in substantial costs and a diversion of management's attention and resources, which would harm our business, operating results, or financial condition.

We may incur significant costs from class action litigation due to the expected stock volatility.

Our stock price may fluctuate for many reasons, including as a result of public announcements regarding the progress of development efforts for our platform and product candidates, the development efforts of future collaborators or competitors, the addition or departure of key personnel, variations in quarterly operating results and changes in market valuations of biopharmaceutical and biotechnology companies. This risk is especially relevant to us because biopharmaceutical and biotechnology companies have experienced significant stock price volatility in recent years, including since the public announcement of the Business Combination Agreement in December 2021. In addition, recently there has been significant stock price volatility involving the shares of companies that have recently completed a Merger with a SPAC. When the market price of a stock has been volatile as our stock price may be, holders of that stock have occasionally brought securities class action litigation against the company that issued the stock. Additionally, there has recently been a general increase in litigation against companies that have recently completed a Merger with a SPAC alleging fraud and other claims based on inaccurate or misleading disclosures. If any of our stockholders were to bring a lawsuit of this type against us, even if the lawsuit is without merit, we could incur substantial costs defending the lawsuit. The lawsuit could also divert the time and attention of management.

We are an "emerging growth company" and it cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make the shares of our common stock less attractive to investors and may make it more difficult to compare performance with other public companies.

We are an emerging growth company as defined in the JOBS Act, and we intend to continue to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in periodic reports and proxy statements, 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. Investors may find shares of our common stock less attractive because we will continue to rely on these exemptions.

If some investors find our shares of our common stock less attractive as a result, there may be a less active trading market for their common stock, and the stock price may be more volatile.

An emerging growth company may elect to delay the adoption of new or revised accounting standards. With DYNS making this election, Section 102(b)(2) of the JOBS Act allows us to delay adoption of new or revised accounting standards until those standards apply to non-public business entities.

We are also a "smaller reporting company" as defined int he Exchange Act, and have elected to take advantage of certain of the scaled disclosures available to smaller reporting companies.

As a result, the condensed financial statements contained in this Quarterly Report and those that we will file in the future may not be comparable to companies that comply with public business entities revised accounting standards effective dates.

If certain holders of our common stock sell a significant portion of their securities, it may negatively impact the market price of the shares of our common stock and such holders still may receive significant proceeds.

As of the date of this Quarterly Report on Form 10-Q, the market price of our common stock is below $10.00 per share, which was the price per share of common stock sold in the initial public offering of our predecessor, DYNS, the per share price of the 5,060,000 shares of our Common Stock sold to certain investors in connection with our PIPE financing and also the per share value of the consideration issued to former stockholders of Senti Sub I, Inc. (formerly Senti Biosciences, Inc.) upon consummation of our Merger. However, certain of our stockholders who hold shares of our common stock that were (i) originally purchased by our predecessor's sponsor, Dynamics Sponsor LLC, in a private placement prior to our predecessor's initial public offering (the "Founder Shares") or (ii) issued to the Anchor Investors in consideration for their agreement not to redeem their shares of Class A common stock of DYNS in connection with the Merger. In particular, 4,878,972 of the Founder Shares registered for resale in our prospectus dated August 8, 2022 filed pursuant to Rule 424(b)(3) (Registration No. 333-265873), as supplemented from time to time (the "Prior Resale Prospectus"), were purchased at an effective price of $0.004 per share, and 871,028 of the shares of our common stock held by the Anchor Investors and registered for resale in the Prior Resale Prospectus were issued solely in consideration for the Anchor Investors' agreement not to redeem their shares of Class A common stock as described above. Accordingly, holders of these 5,750,000 shares of our common stock could sell their securities at a per share price that is less than $10.00 and still realize a significant return from the sale of those securities that could not be realized by our other stockholders. On November 6, 2023, the closing price of our common stock as reported on the Nasdaq Global Market was $0.29 per share. Based on this closing price, the aggregate sales price of the Founder Shares would be approximately $1.4 million and the aggregate sales price of the shares of our common stock held by the Anchor Investors would be approximately $0.3 million.

Sales of a substantial number of shares of our common stock in the public market could cause our stock prices to fall.

Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales or the perception in the market that the holders of a large number of shares of common stock intend to sell shares, could reduce the market price of our common stock.

Shares issued upon the exercise of stock options outstanding under our equity incentive plans or pursuant to future awards granted under those plans will become available for sale in the public market to the extent permitted by the provisions of applicable vesting schedules, any applicable market standoff and lock-up agreements, and Rule 144 and Rule 701 under the Securities Act.

Certain holders of our common stock have rights, subject to 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 have also filed registration statements on Form S-8 registering shares of common stock issued or reserved for future issuance under our equity compensation plans. Shares registered under a registration statement on Form S-8 can be freely sold in the public market upon issuance and once vested, subject to volume limitations applicable to affiliates. If any of these additional shares are sold, or if it is perceived that they will be sold in the public market, the market price of our common stock could decline.

Future sales and issuances of our common stock or rights to purchase common stock could result in additional dilution of the percentage ownership of our stockholders and could cause our stock price to fall.

Significant additional capital will be needed in the future to continue our planned operations, including further development of our gene circuit platform, preparing IND or equivalent filings, conducting preclinical studies and clinical trials, commercialization efforts, expanded research and development activities and costs associated with operating a public company. To raise capital, we may sell common stock, convertible securities or other equity securities in one or more transactions at prices and in a manner as determined from time to time. If we sell common stock, convertible securities or other equity securities, investors may be materially diluted by subsequent sales. Such sales may also result in material dilution to existing stockholders, and new investors could gain rights, preferences and privileges senior to the holders of shares of our common stock.

Pursuant to the Senti Biosciences, Inc. Equity Incentive Plan, our board of directors or compensation committee is authorized to grant stock options to our employees, directors and consultants. Initially, the maximum aggregate number of shares of our common stock that may be issued pursuant to stock awards under the Incentive Plan was 2,492,735 shares of our common stock. Additionally, the number of shares of our common stock reserved for issuance under the Incentive Plan automatically increases on January 1 of each year, beginning on January 1, 2023 and continuing through and including January 1, 2032, by 5% of the total number of shares of our common stock outstanding on December 31 of the preceding calendar year, or a lesser number of shares determined by our board of directors. Unless our board of directors elects not to increase the number of shares available for future grant each year, our stockholders may experience additional dilution, which could cause our stock price to fall. In addition, on August 5, 2022, out board of directors adopted the 2022 Inducement Plan, pursuant to which an aggregate of 2,000,000 shares of our common stock have been reserved for issuance. Our issuance of additional shares of common stock or other equity securities of equal or senior rank would, all else being equal, have the following effects:

- the amount of cash available per share, including for payment of dividends in the future, may decrease;
- the relative voting strength of each previously outstanding share of common stock would be diminished; and
- the market price of shares of our common stock may decline.

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

We must design our disclosure controls and procedures to reasonably assure that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and 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. For example, our directors or executive officers could inadvertently fail to disclose a new relationship or arrangement causing us to fail to make a required related party transaction disclosure. 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 due to error or fraud may occur and not be detected.

Reports published by analysts, including projections in those reports that differ from our actual results, could adversely affect the price and trading volume of shares of our common stock.

We currently expect that securities research analysts will establish and publish their own periodic financial projections for our business. These projections may vary widely and may not accurately predict the results we actually achieve. Our stock price may decline if our actual results do not match the projections of these securities research analysts. Similarly, if one or more of the analysts who write reports on us downgrades our stock or publishes inaccurate or unfavorable research about our business, our stock price could decline. If one or more of

these analysts ceases coverage of us or fails to publish reports on us regularly, our stock price or trading volume could decline. While we expect research analyst coverage, if no analysts commence coverage of us, the trading price and volume for shares of our common stock could be adversely affected.

The obligations associated with being a public company will involve significant expenses and will require significant resources and management attention, which may divert from our business operations.

As a public company, we are subject to the reporting requirements of the Exchange Act and the Sarbanes-Oxley Act. The Exchange Act requires the filing of annual, quarterly and current reports with respect to a public company's business and financial condition. The Sarbanes-Oxley Act requires, among other things, that a public company establish and maintain effective internal control over financial reporting. As a result, we will incur significant legal, accounting and other expenses that we did not previously incur. Our entire management team and many of our other employees will need to devote substantial time to compliance, and may not effectively or efficiently manage our transition into a public company.

These rules and regulations will result in us incurring substantial legal and financial compliance costs and will make some activities more time-consuming and costly. For example, these rules and regulations will likely make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be difficult for us to attract and retain qualified people to serve on our board of directors, our board committees or as executive officers.

Provisions in our second amended and restated certificate of incorporation ("Charter"), our amended and restated bylaws, or Bylaws, and Delaware law may have anti-takeover effects that could discourage an acquisition of us by others, even if an acquisition would be beneficial to our stockholders, and may prevent attempts by our stockholders to replace or remove our current management, which could depress the trading price of shares of our common stock.

Our Charter, Bylaws and Delaware law contain provisions that may have the effect of discouraging, delaying or preventing a change in control of us or changes in our management that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. Our Charter and Bylaws include provisions that:

- authorize "blank check" preferred stock, which could be issued by our board of directors without stockholder approval and may contain voting, liquidation, dividend and other rights superior to our common stock;
- create a classified board of directors whose members serve staggered three-year terms, such that not all members of the board will be elected at one time;
- specify that special meetings of our stockholders can be called only by our board of directors;
- prohibit stockholder action by written consent;
- establish an advance notice procedure for stockholder approvals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to our board of directors;
- specify that no stockholder is permitted to cumulate votes at any election of directors;
- expressly authorize our board of directors to make, alter, amend or repeal our Bylaws; and

- require supermajority votes of the holders of our common stock to amend specified provisions of our Charter and Bylaws.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management. 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 shares of our common stock.

In addition, because we are incorporated in the State of Delaware, we are governed by the provisions of Section 203 of the General Corporation Law of the State of Delaware, 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.

Any provision of our Charter, Bylaws or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for shares of our common stock.

Our Bylaws designate the Court of Chancery of the State of Delaware as the exclusive forum for certain state law litigation that may be initiated by our stockholders and the U.S. federal district courts as the exclusive forum for certain securities law actions, which could limit our stockholders' ability to litigate disputes with us in a different judicial forum and increase the costs for our stockholders to pursue certain claims against us.

Pursuant to our Bylaws, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers or employees to us or our stockholders; (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law of the State of Delaware, our Charter or our Bylaws (including their interpretation, validity or enforceability); or (iv) any action asserting a claim governed by the internal affairs doctrine. This exclusive forum provision will not apply to any causes of action arising under the Securities Act or the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Stockholders cannot waive compliance with the Securities Act, the Exchange Act or any other federal securities laws or the rules and regulations thereunder. Unless we consent in writing to the selection of an alternate forum, the United States federal district courts shall be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. In addition, our Bylaws provide that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to these exclusive forum provisions; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the U.S. federal securities laws and the rules and regulations thereunder. The forum selection provisions in our Bylaws may impose additional litigation costs on stockholders in pursuing any such claims and may limit our stockholders' ability to litigate disputes with us in a judicial forum that they find favorable for disputes with us or our directors, officers or employees, which may discourage the filing of lawsuits against us and our directors, officers and employees, even though an action, if successful, might benefit our stockholders. In addition, while the Delaware Supreme Court and other state courts have upheld the validity of federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court, there is uncertainty as to whether other courts will enforce the federal forum provision. If the federal forum provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The federal forum provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid. The Court of Chancery of the State of Delaware and the federal district courts of the United States may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders.

Our failure to meet the continued listing requirements of Nasdaq could result in a delisting of our securities.

On August 7, 2023, we received written notice from the Listing Qualifications Department of Nasdaq notifying us that, for the last 30 consecutive trading days, the closing bid price of our common stock was below the minimum bid price requirement of $1.00 per share for continued listing on the Nasdaq Global Market, i.e., the minimum

closing bid price requirement. We have been provided an initial compliance period of 180 calendar days, or until February 5, 2024 to regain compliance with the minimum closing bid price requirement.

We intend to monitor the closing bid price of the Common Stock and may, if appropriate, consider taking actions to regain compliance with the minimum closing bid price requirement. There can be no assurance that the Company will be able to regain compliance with the minimum closing bid price requirement or will otherwise be in compliance with other applicable Nasdaq listing rules.

If we fail to satisfy the continued listing requirements of Nasdaq such as the corporate governance requirements or the minimum closing bid price requirement, Nasdaq may take steps to delist our securities. Such a delisting would likely have a negative effect on the price of the securities and would impair your ability to sell or purchase the securities when you wish to do so. In the event of a delisting, we can provide no assurance that any action taken by us to restore compliance with listing requirements would allow our securities to become listed again, stabilize the market price or improve the liquidity of our securities, prevent our securities from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with Nasdaq's listing requirements. Additionally, if our securities are not listed on, or become delisted from, Nasdaq for any reason, and are quoted on the OTC Bulletin Board, an inter-dealer automated quotation system for equity securities that is not a national securities exchange, the liquidity and price of our securities may be more limited than if we were quoted or listed on Nasdaq or another national securities exchange. You may be unable to sell your securities unless a market can be established or sustained.

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

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.

General Risk Factors

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 those agencies from performing normal business functions on which operations of our business may rely, and/or 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 the SEC and other government agencies on which our operations and fundraising may rely, including those that fund research and development activities and regulate our access to public markets, 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 drugs and biologics or modifications to approved drugs and biologics to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. For example, over the past decade, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA and SEC, have had to furlough critical FDA employees and stop critical activities. Most recently, the U.S. government avoided a shutdown by passing a temporary stopgap funding measure in September 2023, which expires in November 2023. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submission, which could have a material adverse effect on our business.

Since March 2020 when foreign and domestic inspections of facilities were largely placed on hold, the FDA has been working to resume pre-pandemic levels of inspection activities, including routine surveillance, bioresearch monitoring and pre-approval inspections. 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 U.S. may adopt similar restrictions or other policy measures similar to the response to the COVID-19 pandemic and may experience delays in their regulatory activities.

We or the third parties upon whom we depend may be adversely affected by natural disasters and our business continuity and disaster recovery plans may not adequately protect us from a serious disaster.

Our current operations are located in the San Francisco Bay Area. Any unplanned event, such as earthquake, flood, fire, explosion, extreme weather condition, medical epidemics, including any lingering effects from the global spread of COVID-19, power shortage, telecommunication failure or other natural or man-made accidents or incidents that result in us being unable to fully utilize our headquarters, or the manufacturing facilities of our third-party contract manufacturers, may have a material adverse effect on our ability to operate our business, particularly on a daily basis and have significant negative consequences on our financial and operating conditions. Loss of access to these facilities may result in increased costs, delays in the development of our product candidates or interruption of our business operations. Natural disasters or pandemics, such as the COVID-19 outbreak could further disrupt our operations and have a material adverse effect on our business, financial condition, results of operations and prospects. If a natural disaster, power outage or other event occurred that prevented us from using all or a significant portion of our headquarters, that damaged critical infrastructure, such as our research facilities or the manufacturing facilities of our third-party contract manufacturers, or that otherwise disrupted operations, it may be difficult or, in certain cases, impossible, for us to continue our business for a substantial period of time. The disaster recovery and business continuity plans we have in place may prove inadequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of the limited nature of our disaster recovery and business continuity plans, which could have a material adverse effect on our business. As part of our risk management policy, we maintain insurance coverage at levels that we believe are appropriate for our business. However, in the event of an accident or incident at these facilities, we cannot assure our investors that the amounts of insurance will be sufficient to satisfy any damages and losses. If our headquarters or the manufacturing facilities of our third-party contract manufacturers are unable to operate because of an accident or incident or for any other reason, even for a short period of time, any or all of our research and development programs may be harmed. Any business interruption may have a material adverse effect on our business, financial condition, results of operations and prospects.

Our quarterly operating results may fluctuate significantly or may fall below the expectations of investors or securities analysts, each of which may cause our stock price to fluctuate or decline.

We expect our operating results to be subject to quarterly fluctuations. Our net loss and other operating results will be affected by numerous factors, including:

- variations in the level of expense related to the ongoing development of our product candidates or future development programs;
- results of preclinical studies and clinical trials, or the addition or termination of preclinical studies and clinical trials or funding support by us or potential future collaborators;
- our execution of any collaboration, licensing or similar arrangements, and the timing of payments we may make or receive under potential future arrangements or the termination or modification of any of our existing or potential future collaboration, licensing or similar arrangements;

- any intellectual property infringement, misappropriation or violation lawsuit or opposition, interference or cancellation proceeding in which we may become involved;
- additions and departures of key personnel;
- strategic decisions by us or our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- if any of our product candidates receives regulatory approval, the terms of such approval and market acceptance and demand for such product candidates;
- regulatory developments affecting our product candidates or those of our competitors; and
- changes in general market and economic conditions.

If our quarterly operating results fall below the expectations of investors or securities analysts, the price of our common stock could decline substantially. Furthermore, any quarterly fluctuations in our operating results may, in turn, cause the price of our stock to fluctuate substantially. We believe that quarterly comparisons of our financial results are not necessarily meaningful and should not be relied upon as an indication of our future performance.

We may be subject to claims that our employees, consultants, or independent contractors have wrongfully used or disclosed confidential information of third parties.

We have received confidential and proprietary information from third parties. In addition, we employ individuals who were previously employed at other biotechnology or pharmaceutical companies. We may be subject to claims that we or our employees, consultants, or independent contractors have inadvertently or otherwise used or disclosed confidential information of these third parties or our employees' former employers, or that we caused an employee to breach the terms of his or her non-competition or non-solicitation agreement.

Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial cost and be a distraction to our management and employees. If our defenses to these claims fail, in addition to requiring us to pay monetary damages, a court could prohibit us from using technologies or features that are essential to our product candidates, if such technologies or features are found to incorporate or be derived from the trade secrets or other proprietary information of the former employers. Moreover, any such litigation or the threat thereof may adversely affect our reputation, our ability to form strategic alliances or sublicense our rights to collaborators, engage with scientific advisors or hire employees or consultants, each of which would have an 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 management.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

Exhibit Number	Description
10.1†*	Framework Agreement by and between Senti Biosciences, Inc., GeneFab, LLC, and Velere Bio, Inc., dated August 7, 2023.
10.2†*	Seller Economic Share Agreement by and between Senti Biosciences, Inc., GeneGab, LLC, and Valere Bio, Inc., dated August 7, 2023.
10.3†*	Development and Manufacturing Services Agreement between Senti Biosciences, Inc. and GeneFab, LLC, dated August 7, 2023.
10.4†*	Sublease Agreement by and between Senti Biosciences, Inc. and GeneFab, LLC, dated August 7, 2023.
10.5†	Option Agreement by and between Senti Biosciences, Inc. and GeneFab, LLC, dated August 7, 2023 (1)
31.1*	Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	The cover page for the Company's Quarterly Report on Form 10-Q has been formatted in Inline XBRL and contained in Exhibit 101.

* Filed herewith.

** Furnished herewith. This certification will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent specifically incorporated by reference into such filing.

† Portions of this exhibit (indicated by asterisks) have been omitted because the registrant has determined that the information is both not material and is of the type that the registrant treats as private or confidential.

(1) Previously filed as an exhibit to Post-Effective Amendment No. 1 to our Form S-1 on Form S-3 filed on November 1, 2023 and incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized on this 13th day of November, 2023.

Date: November 13, 2023

SENTI BIOSCIENCES, INC.

By: /s/ Timothy Lu, M.D., Ph.D.

Name: Timothy Lu, M.D., Ph.D.

Title: Chief Executive Officer & President

By: /s/ Deborah Knobelman, Ph.D.

Name: Deborah Knobelman, Ph.D.

Title: Chief Financial Officer and Head of Corporate Development

Exhibit 10.1

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 "[***]".

[***]

FRAMEWORK AGREEMENT

by and among

SENTI BIOSCIENCES, INC.,

VALERE BIO, INC.

and

GENEFAB, LLC

DATED AS OF AUGUST 7, 2023

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FRAMEWORK AGREEMENT

This FRAMEWORK AGREEMENT, is made and entered into as of August 7, 2023, is made by and among Senti Biosciences, Inc., a Delaware corporation ("Seller"), Valere Bio, Inc., a Delaware corporation ("TopCo"), and GeneFab, LLC, a Delaware limited liability company ("Purchaser"). Seller, TopCo and Purchaser are collectively referred to herein as the "Parties" and individually as a "Party."

RECITALS

WHEREAS, Seller possesses certain ownership and leasehold interests with respect to the Facility (as defined below) and certain assets and rights relating to the Facility;

WHEREAS, the Parties desire that, at the Initial Closing, Seller shall sell, assign and transfer to Purchaser, and Purchaser shall purchase and assume from Seller, the Purchased Assets (as defined below), and certain specified Liabilities related to such Purchased Assets upon the terms and conditions set forth herein;

WHEREAS, the Parties desire that, at the Lease Assignment Closing, Seller shall assign and transfer to Purchaser, and Purchaser shall assume from Seller, the Facility Lease (as defined below), and certain specified Liabilities related to such Facility Lease upon the terms and conditions set forth herein;

WHEREAS, concurrently with the Initial Closing, the Purchaser and Seller will execute and deliver: (a) a development and manufacturing services agreement, substantially in the form attached hereto as Exhibit A (the "Services Agreement"), (b) an asset assignment agreement, with respect to the Assumed Contracts and Assumed Liabilities (each as defined below), substantially in the form attached hereto as Exhibit B (the "Asset Assignment Agreement"), (c) a transition services agreement, substantially in the form attached hereto as Exhibit C (the "Transitional Services Agreement"), (d) a sublease agreement, substantially in the form attached hereto as Exhibit D (the "Sublease Agreement"), (e) an option agreement, substantially in the form attached hereto as Exhibit F ("Option Agreement"), and (f) a contractor use agreement, substantially in the form attached hereto as Schedule 2.10(d) ("Contractor Use Agreement"), each effective as of the Initial Closing;

WHEREAS, concurrently with the Initial Closing, the Purchaser, Seller and TopCo will execute and deliver an economic share agreement, substantially in the form attached hereto as Exhibit H ("Seller Economic Share Agreement"), effective as of the Initial Closing;

WHEREAS, concurrently with the Initial Closing, the Landlord, Purchaser and Seller will execute and deliver a written landlord consent to the sublease agreement, substantially in the form attached hereto as Exhibit E ("Landlord Consent to Sublease Agreement"), effective as of the Initial Closing;

WHEREAS, concurrently with the Lease Assignment Closing, the Purchaser and Seller will execute and deliver the Lease Assignment Agreement, and the Landlord, Purchaser and Seller will execute and deliver the Landlord Consent to Assignment (each as defined below), each effective as of the Lease Assignment Closing; and

WHEREAS, the Parties desire to make certain representations, warranties, covenants and agreements, as set forth more fully herein, in connection with this Agreement and the Transactions (as defined below).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the foregoing and the representations, warranties, covenants and agreements contained herein, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS AND TERMS

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the meanings set forth or as referenced below:

"Action" shall mean any suit, cause of action, charge, audit, investigation, penalty, assessment, fine, mediation, arbitration, claim, complaint, criminal prosecution, governmental or other administrative proceeding, whether at law or at equity or by any court or Governmental Entity, or before any mediator, arbitrator or other tribunal.

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person at any time during the period for which the determination of affiliation is being made. For purposes of this definition, "control" of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether by Contract or otherwise.

"Agreement" shall mean this Framework Agreement, including all Schedules and Exhibits attached hereto, as the same may be amended, modified or supplemented from time to time in accordance with the terms hereof.

"Allocation" shall have the meaning set forth in Section 2.7(a).

"Allocation Adjustment Notice" shall have the meaning set forth in Section 2.7(a).

"Ancillary Agreements" shall mean the Asset Assignment Agreement, Services Agreement, Transitional Services Agreement, Sublease Agreement, Landlord Consent to Sublease Agreement, Option Agreement, Lease Assignment Agreement and Landlord Consent to Assignment, Seller Economic Share Agreement, the Equity Commitment Letters, License Agreement, and the Sub-License Agreement.

"Antitrust Laws" shall mean the Sherman Act, as amended, the Clayton Act, as amended, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, the Federal Trade Commission Act, as amended, and all other federal, state and foreign statutes, rules, regulations, Orders, decrees, administrative and judicial doctrines, and other laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition

"Asset Assignment Agreement" shall have the meaning set forth in the Recitals.

"Assumed Contracts" shall mean all Contracts set forth on Schedule 1.1(a) related to the Facility or any of the Purchased Assets as described in clauses (iii) through (vi) of Section 2.1(a) to which Seller or any of its Affiliates is a party, excluding the Facility Lease but including any other Contract entered into on or after the date hereof and on or prior to the Initial Closing Date in accordance with Section 6.1 that relates to the Facility or any of the Purchased Assets as described in clauses (iii) through (vi) of Section 2.1(a) to which Seller or any of its Affiliates is a party, but excluding, in each case, any Excluded Contracts.

"Assumed Liabilities" shall have the meaning set forth in Section 2.4.

"Bankruptcy/Dissolution Event" shall have the meaning set forth in Section 4.20.

"Basket" shall have the meaning set forth in Section 9.4(a).

"Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banks in San Francisco, California and Hong Kong Special Administrative Region are authorized or obligated by applicable Law or executive Order to close.

[***]

"[***]" shall have the meaning set forth in Section 9.4(a).

"Cash Equivalents" shall mean cash, checks, money orders, marketable securities, short-term instruments and other cash equivalents, funds in time and demand deposits or similar accounts, and any evidence of indebtedness issued or guaranteed by any Governmental Entity.

[***]

[***]

"Claim Period" shall have the meaning set forth in Section 9.5(d).

"Code" shall mean the United States Internal Revenue Code of 1986, as amended.

"Confidential Information" shall mean all ideas, information and materials that are confidential and/or proprietary to a Person and are not generally known to the public including Trade Secrets and confidential and/or proprietary information derived from reports, investigations, research, work in progress, codes, marketing and sales programs, financial projections, cost summaries, pricing formulae, contract analyses, financial information, confidential filings with any state or federal agency, methods of doing business, and materials prepared for, by or on behalf of such Person by its employees, officers, directors, agents, consultants or other Representatives.

"Confidentiality Agreement" shall have the meaning set forth in Section 10.7(a).

"Contract" shall mean any written or oral agreement, contract, subcontract, settlement agreement, lease, sublease, binding understanding, instrument, note, option, bond, mortgage, indenture, trust document, loan or credit agreement, license, sublicense, insurance policy or legally binding commitment or undertaking of any nature, as in effect as of the date hereof or as may hereinafter be in effect.

"Copyrights" shall mean all rights in copyrightable works, mask works, works of authorship and moral rights, including copyrights in computer programs, Software (whether in object code or source code), databases, data collections, data compilations and related documents, and all other rights corresponding thereto throughout the world, whether published or unpublished, including rights to use, reproduce, display, perform, modify, enhance, distribute and prepare derivative works thereof, and any registrations or applications for any of the foregoing, including renewals and extensions.

"COVID-19 Pandemic" shall mean "Coronavirus Disease 2019," "COVID-19," "COVID-19 virus," "coronavirus disease" and/or the "novel coronavirus," and any strains, mutations or permutations thereof, and the outbreak, spread, and transmission thereof, efforts to control or limit the spread and transmission thereof, and any other effects or consequences of the foregoing, including any action of any Governmental Entity.

"Equity Commitment Letters" shall have the meaning set forth in Section 3.4(c).

"De Minimis Amount" shall have the meaning set forth in Section 9.4(a).

"Deferred Asset" shall have the meaning set forth in Section 2.2(a).

"Deferred Consideration" shall have the meaning set forth in Section 2.6(c).

"East Wing" shall mean the Phase I Premises, as defined in the Facility Lease.

"Employee Plan" shall have the meaning set forth in Section 4.16(a).

"Encumbrance" shall mean, with respect to the Facility or any Purchased Asset, any pledges, claims, liens, licenses, charges, encumbrances and security interests of any kind or nature whatsoever.

"Environmental Claim" shall mean any claim, action, cause of action, suit, proceeding, investigation, order, demand or notice by any Person alleging actual or potential liability (including actual or potential liability for investigatory costs, cleanup, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, attorneys' fees or penalties) arising out of, based on, resulting from or relating to (i) the presence, Release of, or exposure to any Hazardous Materials or (ii) circumstances forming the basis of any violation, or alleged violation, of, or liability with respect to, any Environmental Law.

"Environmental Law" shall mean all federal, state, local, foreign and common laws, statutes, codes, regulations, ordinances and other enforceable requirements of Governmental Entities relating to (i) pollution or protection of human health and safety (including workplace health and safety), (ii) the protection, restoration or cleanup of or prevention of harm to the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata, and natural resources), (iii) the exposure to, or Releases or threatened Releases of, Hazardous Materials, (iv) the manufacture, processing, distribution, use, treatment, generation, storage, containment, disposal, transport or handling of Hazardous Materials, or (v) recordkeeping, notification, disclosure and reporting requirements regarding Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

"Environmental Permits" shall mean permits, licenses, approvals, exemptions, registrations, certificates, identification numbers or other authorizations issued pursuant to Environmental Law.

"Equipment" shall mean all machinery, manufacturing and servicing equipment (including any computers, peripherals or other electronics integrated with such equipment), spare parts, and tangible tools and tooling that is (i) located at the Facility as of the date hereof or the Initial Closing Date, (ii) owned or leased by Seller and (iii) reasonably necessary or useful in the future Exploitation of the other Purchased Assets or in the future operation of the Facility pursuant to the Facility Lease.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean each Person (whether or not incorporated), trade or business that at any relevant time would be required to be treated together with Seller as a "single employer" under Section 414 of the Code.

"Excluded Assets" shall have the meaning set forth in Section 2.3.

"Excluded Contracts" shall mean all Contracts listed on Schedule 1.1(b).

"Excluded Liabilities" shall mean all Liabilities, other than the Assumed Liabilities or as provided in the Ancillary Agreements, of Seller or any of its Affiliates, including all Liabilities, whether arising before, on or after the Initial Closing Date arising out of, resulting from or related to the Excluded Assets.

"Excluded Records" shall mean (i) any Tax Return of Seller or any of its Affiliates to the extent it does not pertain solely to the Purchased Assets, (ii) all personnel records pertaining to any personnel of Seller and any of its Affiliates, excluding any records pertaining to Transferred Workers, (iii) any attorney work product, attorney-client communications and other items protected by attorney-client privilege and (iv) any Records specifically described on Schedule 1.1(d).

"Excluded Tangible Assets" shall mean all tangible assets located at the Facility that are not related to the Facility or the Purchased Assets or are not Transferred Tangible Assets, including the tangible assets set forth on Schedule 1.1(e).

"Expiration Date" shall have the meaning set forth in Section 9.1.

"Exploit" (including with correlative meaning the terms "Exploitation" and "Exploited") shall mean any or all of the following: research, development, design, test, modify, manufacture, service, make, use, sell, have made, used or sold, offer for sale, import, reproduce, promote, market, distribute, commercialize, support, maintain, correct and create derivative works or, as the context requires, operate the Facility to manufacture therapeutic or diagnostic products.

"Facility" shall mean the manufacturing facility, and other real property and improvements leased by Seller pursuant to the Facility Lease, located at 1430 Harbor Bay Parkway, Alameda, California, as more particularly described in the Facility Lease, which includes without limitations, for the avoidance of doubt, a West Wing, an East Wing, a warehouse, quality control testing labs, and office support areas.

"Facility Lease" shall mean that certain Research and Development and Laboratory Lease Agreement for the Facility, dated as of June 3, 2021, between Landlord and Seller and all amendments, modifications and supplemental agreements thereto, and guarantees thereof.

"Facility Workers" shall mean: (i) all current Seller employees or individuals currently engaged as independent contractors located at or primarily reporting to (whether remote or otherwise) the Facility, unless expressly excluded as set forth on Schedule 1.1(c); (ii) any other employee of Seller or its Affiliates listed as a Facility Worker on Schedule 1.1(c); and (iii) Seller's independent contractors listed on Schedule 1.1(c); provided, in each case, that such employee or independent contractor remains employed or engaged by Seller as of the day Purchaser may provide them with offers of employment or engagement (as applicable) in accordance with this Agreement. For the avoidance of doubt, Schedule 1.1(c) may be updated upon the mutual agreement of the Parties.

"FDA" shall mean the United States Food and Drug Administration and any successor agency.

"Final Tranche Payment" shall have the meaning set forth in Section 2.6(c).

"Fraud" shall mean actual and intentional misrepresentation of a material existing fact in connection with the representations and warranties set forth in Article IV (with respect to Seller) or Article V (with respect to Purchaser) of this Agreement with actual knowledge of its falsity and made for the purpose of inducing the other Party to act, and upon which the other Party justifiably relies with resulting Losses.

"FTC" shall mean the United States Federal Trade Commission.

"Fundamental Reps" shall mean the representations and warranties set forth in Section 4.1 (*Organization and Good Standing*), Section 4.2 (*Authority*), Section 4.18 (*Brokers*), Section 5.1 (*Organization and Good Standing*), Section 5.2 (*Authority*), and Section 5.6 (*Brokers*).

"GAAP" shall mean accounting principles generally accepted in the United States, as in effect as of the date hereof.

"Governmental Entity" shall mean any United States federal, state or local or any foreign government or any court, administrative or other governmental or government-authorized authority, commission, department, board, tribunal, or agency, domestic, foreign or supranational, including any Regulatory Authority.

"Hazardous Materials" shall mean any material, substance, chemical or waste (or combination thereof) that is listed, defined, designated, regulated or classified as hazardous, toxic, radioactive, dangerous, a pollutant, a contaminant, or words of similar meaning or effect under any Environmental Law.

"Indemnification Cap" shall have the meaning set forth in Section 9.4(a).

"Indemnification Notice" shall have the meaning set forth in Section 9.5(a).

"Indemnified Party" shall have the meaning set forth in Section 9.5(a).

"Indemnifying Party" shall have the meaning set forth in Section 9.5(a).

"Independent Accounting Firm" shall mean such independent accounting firm with known experiences in the construction industry to which the Parties mutually agree in writing.

"Initial Closing" shall mean the consummation of the transactions contemplated by this Agreement, excluding those transaction solely related to the assignment and consent to such assignment by the Landlord of the Facility Lease, pursuant to the terms of this Agreement.

"Initial Closing Consideration" shall have the meaning set forth in Section 2.6(b).

"Initial Closing Date" shall have the meaning set forth in Section 3.1.

"Intellectual Property" shall mean all intellectual property rights, intangible industrial property rights, other similar proprietary rights, and all related priority rights protected, created or arising under the Laws of the United States or any other jurisdiction or under any international convention, including (i) all Patents, Trademarks, Copyrights, Trade Secrets, and Software, (ii) all copies of tangible embodiments of the foregoing (in whatever form or medium) and any rights equivalent to any of the foregoing anywhere in the world, (iii) all royalties, fees, income, payments and other proceeds now or hereafter due or payable with respect to any of the foregoing, and (iv) all claims and causes of action, with respect to any of the foregoing, whether accruing before, on or after the date of this Agreement, including all rights to and claims for damages, restitution and injunctive relief for infringement, dilution, misappropriation, violation, misuse, breach or default, with the right but not the obligation to sue for such legal and equitable relief, and to collect, or otherwise recover, any such damages, including costs and attorney's fees.

"Knowledge of Seller" or "Seller's Knowledge" shall mean the actual or constructive knowledge after duly diligent inquiry of [***], and [***]; and solely for the purposes of Section 4.14, shall include the actual or constructive knowledge of [***] or [***] after duly diligent inquiry of [***].

"Landlord" shall mean 1430 South Loop Owner, LLC, a Delaware limited liability company, and its successors and assigns.

"Landlord Consent to Assignment" shall mean an executed copy of Landlord's written consent to the assignment of the Facility Lease from Seller to Purchaser, by and among Landlord, Seller and Purchaser, in a form reasonably acceptable to Seller and Purchaser.

"Landlord Consent to Sublease Agreement" shall have the meaning set forth in the Recitals.

"Laws" shall mean, as applicable, any United States federal, state or local or any foreign or supranational statute, law, rule, regulation, ordinance, code or any other requirement or rule of law, in each case as interpreted by courts of competent and relevant jurisdiction.

"Lease Assignment Agreement" shall mean an assignment and assumption agreement between Seller and Purchaser with respect to the Facility Lease substantially in the form attached to the Landlord Consent to Assignment, in a form reasonably acceptable to Seller and Purchaser.

"Lease Assignment Closing" shall mean the consummation of the transactions contemplated by this Agreement related solely to the assignment and consent to such assignment by the Landlord of the Facility Lease, pursuant to the terms of this Agreement, the Lease Assignment Agreement and the Landlord Consent to Assignment.

"Lease Assignment Closing Date" shall have the meaning set forth in Section 3.2.

"Liabilities" shall mean any and all debts, liabilities, costs, guarantees, commitments, assessments, expenses, claims, fines, penalties, losses, damages, deficiencies and obligations of any nature, whether accrued or fixed, known or unknown, express or implied, primary or secondary, liquidated or unliquidated, asserted or unasserted, absolute or contingent, disputed or undisputed, matured or unmatured, determined or determinable, accrued or not accrued, due or to become due, direct or indirect, whenever or however arising (including whether arising out of any Contract, common law or tort based on negligence or strict liability) and whether or not the same would be required by GAAP to be reflected in financial statements or disclosed in the notes thereto.

"License Agreement" shall have the meaning set forth in Section 6.5(a).

"Licensed Scope" shall have the meaning set forth in Section 4.15.

"Litigation" shall have the meaning set forth in Section 4.10(a).

"Losses" shall have the meaning set forth in Section 9.2.

"Material Permits" shall mean all material Permits necessary for the lawful operation of the Facility and the Purchased Assets, each as presently used.

"New Hire Documents" shall mean collectively any offer letter, restrictive covenant agreement or other customary new-hire agreement on Purchaser's standard form used with similarly-situated Purchaser employees that Purchaser proposes the Offered Workers sign in connection with the transactions contemplated by this Agreement.

"OFAC" shall mean the Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Offered Worker" shall have the meaning set forth in Section 6.12(a).

"Option Agreement" shall have the meaning set forth in Recital.

"Order" shall mean any charge, temporary restraining order or other order, writ, injunction (whether preliminary, permanent or otherwise), judgment, guideline, doctrine, guidance, decree, ruling, determination, directive, corporate integrity agreement or similar agreement, award or settlement, whether civil, criminal or administrative.

"Ordinary Course of Business" shall have the meaning set forth in Section 6.1.

"Parties" shall have the meaning set forth in the preamble of this Agreement.

"Party" shall have the meaning set forth in the preamble of this Agreement.

"Patents" shall mean all United States and foreign issued letters or design patents, reissued or reexamined patents, patents surviving *inter partes* review, revival of patents, utility models, registered community designs, registered industrial designs, certificates of invention, registrations of patents and extensions thereof, supplemental protection certificates regardless of country issued or formal name and all published or unpublished non-provisional and provisional patent applications, reissue applications, reexamination proceedings, invention disclosures and records of invention, continuation applications, continuation-in-part applications, requests for continued examination and divisions, divisional applications, patent term extension applications, applications for supplemental protection certificates, all rights in respect of utility models and certificates of invention, and all rights and priorities and all extensions and renewals thereof, regardless of the country filed or formal name.

"Payroll Agreement" shall have the meaning set forth in Section 6.12(j).

"Permit" shall mean any permit, license, approval, exemption, consent, clearance, registration, certificate, waiver, franchise, qualification or other authorization issued by any Governmental Entity.

"Permitted Encumbrance" shall mean, in each case, (i) Encumbrances for (A) Taxes, assessments and other governmental charges not yet delinquent or that may subsequently be paid without penalty, or (B) liens for Taxes being contested in good faith through appropriate proceedings and for which adequate reserves have been established in accordance with GAAP, (ii) mechanics', workmen's, repairmen's, warehousemen's or carriers' Encumbrances or other similar Encumbrances incurred in the ordinary course of business securing obligations or liabilities that are not material to the Facility, (iii) defects or imperfections of title, easements, declarations, covenants, rights-of-way, restrictions and other charges, instruments or encumbrances that do not materially affect the use of real estate as is used by Seller as of the date hereof, (iv) zoning ordinances, variances, conditional use permits and similar regulations, permits, approvals and conditions, (v) Encumbrances not created by Seller or any of its Affiliates that affect the underlying fee interest of any leased real property, including master leases or ground leases, and any set of facts that an accurate up-to-date survey would show which do not materially interfere with the ordinary conduct of the Facility as it is conducted on the date hereof, (vi) Encumbrances arising by operation of law on insurance policies and proceeds thereof to secure premiums thereunder and that are not delinquent, and (vii) in the case of any leased asset, the rights of any lessor under the applicable lease agreement.

"Person" shall mean any individual, corporation, partnership (general or limited), limited liability company, limited liability partnership, trust, joint venture, joint-stock company, syndicate, association, entity, unincorporated organization, union, or Governmental Entity, including any political subdivision, agency, or instrumentality thereof.

"Prohibited Person" shall mean (i) any Person or vessel listed on the List of Specially Designated Nationals and Blocked Persons maintained by OFAC; (ii) any Governmental Entity or Person located, organized or resident in, any country or region, against which the U.S. maintains or in the past five (5) years has maintained, comprehensive Sanctions (unless dealing with such Person is authorized under U.S. Law) (specifically, Cuba, Iran, North Korea, the Republic of Sudan (North Sudan), Syria, and the Crimea, Donetsk People's Republic, and Luhansk People's Republic regions in Ukraine); (iii) a Person owned or controlled by, any of the Persons listed in clause (i) above to the extent such Person is subject to the same prohibitions or restrictions as the Persons listed in clause (i) above; or (iv) a Person listed on, or otherwise subject to, any other Sanctions-related restricted or designated party list administered by a Governmental Entity.

"Purchased Assets" shall have the meaning set forth in Section 2.1(a).

"Purchaser" shall have the meaning set forth in the preamble of this Agreement.

"Purchaser Indemnified Party" shall have the meaning set forth in Section 9.2.

"Purchaser Material Adverse Effect" shall mean any change, effect, event, occurrence, state of facts, circumstance or development that prevents or materially impedes or delays the consummation by Purchaser of the transactions contemplated by this Agreement or the Ancillary Agreements.

"[***]" shall mean, [***].

"Purchaser Plan" shall have the meaning set forth in Section 6.12(h).

"Records" shall mean all books, records and data (whether in electronic form or otherwise) related to the Facility, Purchased Assets or Transferred Workers, or that are located at the Facility, and all (i) work instructions and bills of materials, (ii) vendor lists to the extent relating to the Facility or the Purchased Assets, (iii) files and documents (including credit information) to the extent relating to vendors for the Facility or the Purchased Assets, (iv) machinery and equipment maintenance files, (v) supplier lists, (vi) inventory records, quality control records and procedures, and (vii) documentation that relates to Seller's standard operating practices and procedures as it relates to the Facility or the Purchased Assets, in each case (i) through (vii) related to the Facility, the Purchased Assets or the Transferred Workers.

"Regulatory Authority" shall mean the FDA, the FTC, the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services, the competent authorities responsible

for regulating the manufacture of products in each of the European Union member states, or any other federal, state, local or foreign Governmental Entity that is concerned with or regulates the manufacture of therapeutic and pharmaceutical products, or involved in granting any approvals necessary for the manufacture, use, clinical investigation, marketing, importation and sale of a pharmaceutical product and, to the extent required in such the applicable country or regulatory jurisdiction, pricing or reimbursement approval of such pharmaceutical product in such country or regulatory jurisdiction.

"Regulatory Laws" shall have the meaning set forth in Section 4.6(a).

"Release" shall mean any release, spill, emission, discharge, leaking, pumping, injection, deposit, disposal, dispersal, leaching or migration into or through the indoor or outdoor environment (including ambient air, surface water, groundwater and surface or subsurface strata) or into or out of any property, including the movement of Hazardous Materials through or in the air, soil, surface water, groundwater or any property.

"Replacement Contract" shall have the meaning set forth in Section 2.11(b).

"Representatives" shall mean, with respect to a Person, such Person's Affiliates and their respective parents, directors, officers, employees, attorneys, accountants, representatives, financial advisors, lenders, consultants and other agents.

"Sanctions" shall mean the economic, trade and financial sanctions Laws administered, enacted or enforced by OFAC, the United States Department of State, the United States Department of Commerce, any other U.S. government entity, the United Nations Security Council, the European Union, or the United Kingdom.

"Second Tranche Payment" shall have the meaning set forth in Section 2.6(c).

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Seller" shall have the meaning set forth in the preamble of this Agreement.

"Seller Certificate" shall have the meaning set forth in Section 10.13.

"Seller Disclosure Schedules" shall mean the disclosure schedules delivered by Seller to Purchaser in connection with, and concurrently with the execution of, this Agreement.

"Seller Economic Share Agreement" shall have the meaning set forth in the recitals.

"Seller Indemnified Party" shall have the meaning set forth in Section 9.3.

"Seller Material Adverse Effect" shall mean any change, effect, event, occurrence, state of facts, circumstance or development that, individually or in the aggregate with all other changes, effects, events, occurrences, state of facts, circumstances or developments, (a) results in any change or effect that is materially adverse to the Facility, the Contractual Rights, the Purchased Assets or the Assumed Liabilities, taken as a whole, or (b) prevents the consummation by Seller of the transactions contemplated by this Agreement and the Ancillary Agreements; provided, however, that no change, effect, event, occurrence, state of facts, circumstance or development resulting from or arising out of any of the following shall be deemed to constitute, or shall be taken into account in determining whether there has been, a Seller Material Adverse Effect: (i) events, developments, changes or effects in global or national economic, monetary, or financial conditions, including changes in prevailing interest rates, credit markets, currency exchange rates or market conditions, (ii) events, developments, changes or effects in the pharmaceutical or drug manufacturing industry, (iii) events, developments, changes or effects in global or national political conditions, including the outbreak or escalation of war or acts of terrorism, (iv) earthquakes, hurricanes, tsunamis, typhoons, lightning, hailstorms, blizzards, tornadoes, droughts, floods, cyclones, arctic frosts, mudslides, wildfires and other natural disasters, weather conditions and other force

majeure events, (v) changes in applicable Law or the interpretation thereof or changes in GAAP or the interpretation thereof, (vi) events, developments, changes or effects, including impacts on relationships with customers, suppliers, employees, labor organizations or Governmental Entities, in each case attributable to the execution, announcement or pendency of this Agreement, the Ancillary Agreements, the transactions contemplated hereby or thereby or the identity of Purchaser as the acquiror of the Facility or plans or announced intentions of Purchaser with respect to the Facility, (vii) events, developments, changes or effects arising out of any action required, permitted or contemplated to be taken by this Agreement, any action taken by either Party or any of their respective Affiliates with the prior written consent or at the written request of the other Party, any action taken by Purchaser or any of its Affiliates with respect to the transactions contemplated by this Agreement or any failure of Seller or any of its Affiliates to take an action requiring consent of Purchaser for which consent is not provided, or (viii) events, developments, changes or effects resulting from any acts or omissions of Purchaser or its Affiliates after the date of this Agreement (other than actions or omissions specifically contemplated by this Agreement).

"[***]" shall mean, [***].

"Senti Economic Share" shall have the meaning set forth the Seller Economic Share Agreement.

"Services Agreement" shall have the meaning set forth in the Recitals.

"Shared Contract" means each of the Contracts set forth on Schedule 1.1(f).

"Shared Contract Liabilities" shall have the meaning set forth in Section 2.11(a).

"Shared Contract Rights" shall have the meaning set forth in Section 2.11(a).

"Software" shall mean any (i) computer programs, including all software implementations of algorithms, models and methodologies, whether in source code or object code, (ii) program files, data files, computer-related data, field and data definitions and relationships, data definition specifications, data models, program and system logic, interfaces, program modules, routines, sub-routines, algorithms, program architecture, design concepts, system designs, program structure, sequence and organization, screen displays and report layouts, (iii) descriptions, flow charts and other work product used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, and (iv) all documentation including user manuals and other training documentation related to any of the foregoing, and any improvements, updates, upgrades or derivative works of any of the foregoing.

"[***]" shall mean [***].

"Start Date" shall have the meaning set forth in Section 6.12(a).

"Subsidiary" of any Person shall mean another Person, (i) an amount of the voting securities, other voting rights, membership or partnership interests of which that is sufficient to elect at least a majority of its board of directors or other governing body is directly or indirectly owned or controlled by such first Person or by any one or more of its Subsidiaries, or by such first Person and one or more of its Subsidiaries (or, if there are no such voting interests, fifty percent (50%) or more of the equity interests of which is owned directly or indirectly by such first Person), (ii) of which such first Person or any other Subsidiary of such first Person is a general partner (excluding partnerships, the general partnership interests of which held by such first Person and any Subsidiary of such first Person do not have a majority of the voting interests in such partnership) or (iii) based on the extent of control by the first Person, is required to be consolidated in the consolidated financial statements of the first Person in accordance with GAAP.

"Sub-License Agreement" shall have the meaning set forth in Section 6.5(a).

"Sublease Agreement" shall have the meaning set forth in the Recitals.

"Tax Return" shall mean any return, election, report, declaration, information return, statement or other document filed or required to be filed with any Taxing Authority in connection with the determination, assessment or collection of any Tax or the administration of any Laws relating to any Tax, including any attachment or schedule thereto and including any amendments thereof.

"Taxes" shall mean all taxes, charges, duties, fees, levies or other assessments, including income, excise, real property and personal property, sales or use, value added, profits, license, withholding (with respect to compensation or otherwise), payroll, employment, unemployment, disability, net worth, capital gains, transfer, documentary, stamp, social security, environmental, occupation, and franchise, gross receipts, premium, escheat or unclaimed property obligation, ad valorem, alternative or add-on minimum, custom duty, and estimated taxes, in each case, to the extent imposed by any Taxing Authority, and including any interest, penalties and additions attributable thereto, and all amounts payable pursuant to an agreement or arrangement with respect to taxes or payable with respect to taxes as successor or transferee.

"Taxing Authority" shall mean any Governmental Entity exercising any authority to impose, regulate or administer the imposition of Taxes.

"Third Tranche Payment" shall have the meaning set forth in Section 2.6(c).

"Third-Party Claim" shall have the meaning set forth in Section 9.6(b).

"Third-Party Claim Notice" shall have the meaning set forth in Section 9.6(a).

"TopCo" shall have the meaning set forth in the preamble of this Agreement.

"TopCo Equity Commitment Letter" shall have the meaning set forth in Section 3.4(c).

"Trade Secrets" shall mean all trade secrets (protectable as such in any applicable jurisdiction) and any confidential or other proprietary know-how or information specifically related to technical or engineering, manufacturing, processing, marketing, financial, or business matters, including new developments, ideas, inventions and discoveries (whether patentable or not and whether or not reduced to practice and all improvements thereto), invention disclosures, processes, blueprints, manufacturing, engineering and other drawings and manuals, recipes, research data and results, computer programs, Software (whether in object code or source code), databases, data collections, data compilations, algorithms, flowcharts, diagrams, schematics, chemical compositions, formulae, diaries, notebooks, lab journals, design and engineering specifications and similar materials recording or evidencing expertise or information, designs, methods of manufacture, processing techniques, data processing techniques, compilation of information, customer, vendor and supplier lists, pricing and cost information, and business and marketing plans and proposals, all related documents thereof, and all claims and rights related thereto.

"Trademarks" shall mean all registered or unregistered trademarks, service marks, trade dress, trade names, corporate names, assumed financial business names, logos, slogans, Internet domain names, and any other source or business identifiers, together with all translations, adaptations, derivations, and combinations thereof, and all applications, registrations and renewals in connection therewith throughout the world, and all goodwill associated with any of the foregoing.

"Transactions" shall mean the transactions contemplated by this Agreement.

"Transfer Taxes" shall mean any federal, state, county, local, foreign or other sales, use, transfer, value added, conveyance, documentary transfer, stamp duty, recording or other similar Tax, fee or charge imposed in connection with the transactions contemplated by this Agreement or the recording of any sale, transfer or assignment of property (or any interest therein) effected pursuant to this Agreement.

"Transferable Workers" shall mean (i) the Facility Workers and (ii) the employees, independent contractors, and other services providers of Seller set forth on Schedule 1.1(h).

"Transferred Intellectual Property" shall mean all Intellectual Property in the schematics for and design of the Facility that were prepared by or on behalf of Seller.

"Transferred Permits" shall mean all of the Permits set forth set forth on Schedule 1.1(i), which are related to the Facility or the Purchased Assets, including all Permits that are held or used by (or which have been filed or delivered by or on behalf of) Seller or its Affiliates in connection with the construction, modification or operation of the Facility, or the ownership and use of the Purchased Assets.

"Transferred Records" shall mean all Records other than the Excluded Records.

"Transferred Tangible Assets" shall mean all Equipment, furniture and other tangible assets located at the Facility at the Initial Closing and reasonably expected to be necessary or used in the future operation of the Facility or the future Exploitation of the Purchased Assets, excluding, in each case, the Excluded Tangible Assets or any assets transferred at the Lease Assignment Closing. For the avoidance of doubt, all tangible assets set forth on Schedule 2.1(a)(vi) shall constitute "Transferred Tangible Assets."

"Transferred Worker" shall have the meaning set forth in Section 6.12(c).

"Transitional Services Agreement" shall have the meaning set forth in the Recitals.

"Union" shall have the meaning set forth in Section 4.17(i).

"United States" or "U.S." shall mean the United States of America and its territories, commonwealths and possessions.

"W-9" shall have the meaning set forth in Section 3.3(c).

"WARN Act" shall have the meaning set forth in Section 4.17(k).

"West Wing" shall mean the Phase II Premises, as defined in the Facility Lease.

Section 1.2 Other Definitional Provisions.

(a) The words "hereof," "herein," "hereto" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) Unless the context of this Agreement otherwise requires: (i) the terms defined in the singular shall have a comparable meaning when used in the plural, and vice versa, and (ii) words of any gender include each other gender.

(c) The terms "dollars" and "$" shall mean lawful currency of the United States.

(d) The words "include," "includes" and "including" and words of similar import will be by way of example rather than by limitation.

(e) Time periods based on a number of days within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and, if applicable, by extending the period to the next Business Day following if the last day of the period is not a Business Day.

(f) When a reference is made in this Agreement to an Article, a Section, an Exhibit or a Schedule, such reference shall be to an Article or a Section of, or an Exhibit or a Schedule to, this Agreement unless otherwise indicated.

ARTICLE II

PURCHASE AND SALE OF ASSETS

Section 2.1 Purchase and Sale of Assets.

(a) Upon the terms and subject to the conditions set forth herein and in the Ancillary Agreements to be entered into at or prior to the Initial Closing as provided for herein, at the Initial Closing, Seller irrevocably agrees to sell, convey, assign and transfer to Purchaser, and Purchaser irrevocably agrees to purchase, acquire and accept from Seller the transferable right, title and interests of Seller in, to and under the following (collectively, the "Purchased Assets"), in each case to the extent not specifically included in the Excluded Assets:

(i) the Assumed Contracts;

(ii) the Shared Contract Rights, allocated to Purchaser in accordance with Section 2.11;

(iii) the Transferred Records; provided, that Seller may retain a copy of any of the Transferred Records;

(iv) the Transferred Intellectual Property;

(v) the Transferred Permits; and

(vi) the Transferred Tangible Assets.

(b) Upon the terms and subject to the conditions set forth herein and in the Lease Assignment Agreement and Landlord Consent to Assignment to be entered into as provided for herein, at the Lease Assignment Closing, Seller irrevocably agrees to sell, convey, assign and transfer to Purchaser, and Purchaser irrevocably agrees to purchase, acquire, assume and accept from Seller the transferable right, title, obligations and interests of Seller in, to and under the Facility Lease.

(c) Upon the terms and subject to the conditions set forth herein and in the Ancillary Agreements (other than Lease Assignment Agreement and Landlord Consent to Assignment) to be entered into as provided for herein, at the Initial Closing or upon the execution of any such Ancillary Agreement that is executed following the Initial Closing, Purchaser shall obtain the rights set forth in the Ancillary Agreements upon the terms and subject to the conditions thereof (the "Contractual Rights").

Section 2.2 Deferred Assets.

(a) Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or transfer any Assumed Contract, Shared Contract or other Purchased Asset if any attempted assignment or transfer of such Assumed Contract, Shared Contract or such other Purchased Asset (i) would constitute a breach or violation of any applicable Law (whether by operation of law or otherwise) or (ii) would require the prior consent of a third party that has not been obtained prior to the Initial Closing (or does not remain in full force and effect at the Initial Closing) (any such Assumed Contract, Shared Contract or such other Purchased Asset, a "Deferred Asset"), unless and until (A) such Deferred Asset can be assigned or transferred in accordance with Section 2.1(a) without such breach, violation of applicable Law or (B) such consent of a third party is obtained, at which time, in the case of clauses (A) and (B), and without the payment of any further consideration from, or action by, either Party, such Deferred Asset and related Assumed Liabilities shall be deemed to be automatically transferred or assigned in accordance with Section 2.1(a) and assumed in accordance with Section 2.4.

(b) With respect to any such Deferred Asset, from the Initial Closing Date to the second (2nd) anniversary thereof, the Parties shall, and shall cause their respective Affiliates to, reasonably cooperate and use commercially reasonable efforts to obtain, or cause to be obtained, all third party

consents required to assign or transfer such Deferred Asset to Purchaser. Neither Seller nor any of its Affiliates shall have any Liability for failure to obtain any required third party consent, provided that Seller has complied with its obligations under this Section 2.2. Neither the Party (nor their respective Affiliates) shall be obligated to pay, or caused to be paid, (i) fees, costs or expenses in connection with such third party consent (other than immaterial administrative or legal costs and expenses) or (ii) any consideration to any third party with respect to such required consent, in each case other than as the Parties mutually agree in writing.

(c) During the period any Purchased Asset remains a Deferred Asset, and without further consideration due and payable from Purchaser to Seller, Seller shall use commercially reasonable efforts to provide to Purchaser the maximum allowable use of the Deferred Asset (which shall include, at a minimum, the economic benefits of such Deferred Asset), and the Parties shall reasonably cooperate so that Purchaser obtains, to the fullest extent practicable, the applicable Deferred Assets and assumes or otherwise pays, performs or discharges the Liabilities arising or resulting from any such allowable use of Deferred Asset by Purchaser pursuant to this Section 2.2(c).

Section 2.3 Excluded Assets. Purchaser acknowledges and agrees that, pursuant to this Agreement or any Ancillary Agreement, it is not acquiring any rights, titles or interests in, to or under any assets, property (of any kind or nature, real or personal, tangible or intangible), rights and interests of Seller and its Affiliates other than the Purchased Assets, the Facility Lease and the Contractual Rights, including the following (collectively, the "Excluded Assets"):

(a) any Cash Equivalents of Seller and its Affiliates;

(b) any losses, loss carryforwards and rights to receive refunds, credits and loss carryforwards or any other Tax asset with respect to any and all Taxes of Seller or any of its Affiliates specified under Section 2.5(f);

(c) the Excluded Records;

(d) the Excluded Tangible Assets;

(e) any rights, claims and credits of Seller or any of its Affiliates relating to any Excluded Asset or any Excluded Liability, including any guarantees, warranties, indemnities and similar rights in favor of Seller or any of its Affiliates relating to any Excluded Asset (other than any Excluded Liability) and any amounts received after the Lease Assignment Closing pursuant to the Facility Lease by Seller or Purchaser from Landlord related to the period prior to the Lease Assignment Closing;

(f) all Employee Plans and all related Contracts, including the funding arrangements (e.g., accounts, trusts, insurance arrangements and policies, and stop-loss policies) and administrative or other service agreements with third-party providers, trusts or other assets attributable thereto;

(g) Shared Contracts, other than Shared Contract Rights allocated to Purchaser in accordance with Section 2.11; and

(h) any Excluded Contracts.

Section 2.4 Assumed Liabilities. Upon the terms and subject to the conditions set forth herein, Purchaser agrees, effective at the Initial Closing and after the Initial Closing Date, to assume, pay, perform and discharge the following specified Liabilities of Seller (collectively, the "Assumed Liabilities"):

(a) all Liabilities arising after the Initial Closing out of events or circumstances occurring after the Initial Closing, to the extent arising out of or relating to (i) the Purchased Assets (other than the Assumed Contracts or Shared Contracts) or (ii) the use, ownership, operation of the Purchased Assets (other than the Assumed Contracts or Shared Contracts) after the Initial Closing Date;

(b) all Liabilities arising after the Initial Closing to the extent resulting from activities conducted after the Initial Closing or to be performed after the Initial Closing under the Assumed Contracts, all Liabilities under the Assumed Contracts attributable to the period after the Initial Closing, and all Liabilities for payment for products, materials or other items to be supplied to or services to be provided to Seller under the Assumed Contracts to the extent such payment is not due until after the Initial Closing.;

(c) all Shared Contract Liabilities allocated to Purchaser in accordance with Section 2.11;

(d) all Liabilities under any Replacement Contracts;

(e) all Liabilities and obligations arising on or after the applicable Start Date from or relating to the employment or engagement, or termination of employment or engagement, of any Transferred Workers by Purchaser or its Affiliates and all other Liabilities required to be performed after the Initial Closing by Purchaser with respect to the Transferred Workers pursuant to Section 6.12(h);

(f) all Liabilities for fees, costs or expenses in connection with the operation, use, maintenance and improvements of the Facility, or the ownership of the Purchased Assets, with respect to or attributable to any period following the Initial Closing Date;

(g) all Liabilities and obligations arising on or after the Lease Assignment Closing to the extent resulting from activities conducted after the Lease Assignment Closing or to be performed after the Lease Assignment Closing under the Facility Lease and all Liabilities under the Facility Lease attributable to the period after the Lease Assignment Closing;

(h) all Liabilities for Purchaser's share of Transfer Taxes pursuant to Section 2.8(a) and any Taxes allocated to Purchaser pursuant to Section 2.8(b); and

(i) all Liabilities and obligations arising prior to the Initial Closing from or relating to the Purchased Assets to the extent set forth in Schedule 2.4.

For the avoidance of doubt, Purchaser shall also be responsible for the full satisfaction of its Liabilities under the Sublease Agreement.

Section 2.5 Excluded Liabilities. Purchaser shall not assume any Liabilities of Seller or any of its Affiliates other than the Assumed Liabilities or as provided in the Ancillary Agreements, and the Excluded Liabilities shall remain the sole obligation and responsibility of Seller. Without limiting the generality of the foregoing, Excluded Liabilities shall include each of the following:

(a) all Liabilities arising out of or relating to the Excluded Assets;

(b) all Liabilities under, arising out of or relating to the Purchased Assets (other than the Assumed Contracts) on or prior to the Initial Closing, or the use, ownership, operation, or lease of the Purchased Assets other than the Assumed Contracts on or prior to the Initial Closing;

(c) all Liabilities arising as a result of activities conducted on or prior to the Initial Closing, or to be performed on or prior to the Initial Closing, under the Assumed Contracts, other than as specified in Section 2.10;

(d) all Liabilities arising as a result of activities conducted after the Initial Closing, or to be performed after the Initial Closing, under any Assumed Contract when it remains a Deferred Asset, other than as specified in Section 2.2(c);

(e) all Liabilities arising under the Shared Contracts, other than Shared Contract Liabilities allocated to Purchaser under Section 2.11 or and Replacement Contract or as provided in any Ancillary Agreement;

(f) except to the extent of Purchaser's Liabilities under the Sublease Agreement, all Liabilities arising as a result of activities conducted on or prior to the Lease Assignment Closing, or to be performed on or prior to the Lease Assignment Closing, under the Facility Lease, other than as specified in Section 2.10 or the Sublease Agreement;

(g) all Liabilities of Seller and its Affiliates for Taxes (including any Taxes allocated to Seller pursuant to Section 2.8(b) but excluding Taxes allocated to Purchaser under Section 2.8(b) and Purchaser's share of Transfer Taxes pursuant to Section 2.8(a)), and all Liabilities for Taxes relating to the Purchased Assets, Facility or Transferred Workers that are attributable to taxable periods or portions thereof ending on or before the Initial Closing Date; and

(h) all Liabilities and obligations (including all Litigation relating to such Liabilities or obligations) relating to or stemming from the actual or alleged infringement, misappropriation, dilution, or other violation of any Person's Intellectual Property arising out of the use of the Purchased Assets or the Facility, attributable, in each case, to the period prior to the Initial Closing (regardless of when raised).

Section 2.6 Consideration.

(a) The consideration for the Purchased Assets, the Facility Lease and the Contractual Rights shall consist of: (i) the Cash Consideration, (ii) the assumption of the Assumed Liabilities, and (iii) the agreement to perform the obligations under the Ancillary Agreements.

(b) [***]

(c) [***]

(i) by providing a written notice to Purchaser prior to [***], Seller may elect to receive [***] of the Deferred Consideration on [***], if, and only if, the amount of such payment obligation is reduced by [***] (such payment, the "Second Tranche Payment");

(ii) regardless of whether Seller makes an election pursuant to the foregoing clause (c)(i), by providing a written notice to Purchaser prior to [***], Seller may elect to receive [***] percent ([***]%) of the Deferred Consideration on [***], if, and only if, the amount of such payment obligation is reduced by [***] (such payment, the "Third Tranche Payment");

(iii) the amount equal to the aggregate amount of any reduction in the payment obligations caused by Seller's election pursuant to the foregoing clauses (c)(i) or (c)(ii) shall become due and payable from Purchaser to Seller on [***]; and

(iv) for the avoidance of doubt, if Seller fails to make any election pursuant to the foregoing clauses (c)(i) or (c)(ii), the entirety of the Deferred Consideration shall become due and payable from Purchaser to Seller on December 31, 2024 (such payment, the "Final Tranche Payment"). For purposes of illustration of the foregoing, [***] shall become due and payable on December 31, 2025.

[***]

(d) Concurrently with the Initial Closing, Purchaser and TopCo shall enter into the Seller Economic Share Agreement, pursuant to which, amongst other things, TopCo shall grant to Seller the right to receive the Senti Economic Share, subject to the terms and conditions set forth therein.

(e) Any additional payments of Deferred Consideration under Section 2.6(c) or as set forth in the Seller Economic Share Agreement shall be treated (i) as an adjustment to the purchase price for Tax purposes except as otherwise required by applicable Law and (ii) as composed of an interest element and a principal element, such interest element to be determined and reported consistent with Section 483 of the Code and the Treasury Regulations promulgated thereunder.

Section 2.7 Allocation of Cash Consideration.

(a) [***] after the full payment of the Initial Closing Consideration, Purchaser shall prepare and deliver to Seller a statement allocating the sum of each of the Initial Closing Consideration and Assumed Liabilities (to the extent properly taken into account as purchase price for U.S. federal income tax purposes) in accordance with the principles of Section 1060 of the Code and the Treasury Regulations promulgated thereunder (and any similar provision of state, and local law) among the Purchased Assets and the Contractual Rights (as finally determined pursuant to this Section 2.7, the "Allocation"). Seller [***] calendar days after Purchaser's delivery to Seller of the Allocation during which to notify Purchaser in writing of any proposed adjustments to the Allocation, which notice shall set forth in detail a description of the proposed adjustments to the Allocation that Seller believes should be made (the "Allocation Adjustment Notice"). In the event that Seller delivers the Allocation Adjustment Notice to Purchaser within such [***] day period, Seller and Purchaser shall cooperate in good faith to resolve any dispute(s) specified therein as promptly as possible, and any resolution by them as to any item, calculation or other matter specified in the Allocation Adjustment Notice shall be final and binding on the Parties hereto. If Seller and Purchaser are not able to resolve any such dispute(s) within [***] after delivery of the Allocation Adjustment Notice, such outstanding dispute(s) shall be submitted in writing to an Independent Accounting Firm their briefs detailing their views as to the correct Allocation (together with any necessary or appropriate supporting material and data), and the Independent Accounting Firm shall make a written determination as to each disputed item within the Allocation, which determination shall be final and binding on the parties hereto for all purposes hereunder. Seller and Purchaser shall use their commercially reasonable efforts to cause the Independent Accounting Firm to render a written decision resolving the matters submitted to it within [***] following the submission thereof. The fees and expenses of the Independent Accounting Firm in connection with any such dispute(s) shall be shared equally by Purchaser and Seller. Purchaser and Seller shall make appropriate adjustments to the Allocation to reflect any adjustments to the purchase price (as determined for U.S. federal income tax purposes) hereunder, including the payment of additional amounts pursuant to Section 2.6(c) hereof or pursuant to the Seller Economic Share Agreement. Purchaser and Seller shall file their respective U.S. Tax Returns in accordance with the allocation of purchase price set forth on the final version of the Allocation and any adjustments thereto and shall not take any position on such Tax Returns or in a U.S. Tax audit or similar Action inconsistent with such allocation and any adjustments thereto unless otherwise required pursuant to a final "determination" within the meaning of Section 1313 of the Code.

(b) In the event that any Taxing Authority disputes the Allocation, Seller or Purchaser, as the case may be, shall promptly notify the other Party in writing of the nature of such dispute.

Section 2.8 Taxes.

(a) Notwithstanding anything to the contrary in this Agreement, all Transfer Taxes shall be borne by Purchaser. The Party required by Law to do so will file all necessary Tax Returns and other documentation with respect to all such Transfer Taxes and, if required by applicable Law, the other Parties will, and will cause their Affiliates to, join in the execution of any such Tax Returns and other documentation.

(b) All personal property, real property and similar ad valorem Taxes and assessments on the Purchased Assets for any taxable period commencing on or prior to the Initial Closing Date and ending after the Initial Closing Date ("Straddle Period Taxes") shall be prorated on a per diem basis between Purchaser and Seller as of the Initial Closing Date and borne by the Parties accordingly. The amount of all such prorations payable by the Party that is not required to pay such Tax under applicable Law shall be paid to the Party required to pay such Tax under applicable Law on the Initial Closing Date and such amount shall be timely remitted to the applicable Taxing Authority; provided, however, that final payments with respect to prorations that are not able to be calculated as of the Initial Closing Date shall be calculated and paid as soon as practicable after the Initial Closing Date. Any Tax refunds, credits or overpayments attributable to any Straddle Period Taxes shall be apportioned among the Parties in accordance with the manner in which the related Tax is apportioned.

(c) Each Party shall reasonably cooperate and otherwise take commercially reasonable efforts to obtain any reductions, exemptions, credits and refunds of Transfer Taxes and Straddle Period Taxes, including joining in the execution of any Tax Return relating to such Taxes or other documentation where necessary and obtaining any applicable certificate or other document. Each Party shall reasonably cooperate, to the extent reasonably requested by the other Party, in connection with any Tax matters relating to the Purchased Assets or the Transactions (including by the provision of reasonably relevant records or information). Notwithstanding the foregoing, no Party shall have an obligation to provide any copies of its income Tax Returns or related work papers to the other Party.

(d) Each applicable withholding agent shall be entitled to deduct and withhold (or cause to be deducted and withheld) from any payments payable under this Agreement any withholding Taxes or other amounts to the extent required under any applicable Tax Law to be deducted and withheld. To the extent that any such amounts are so deducted and withheld and are paid over to the appropriate Governmental Entity in accordance with applicable Law, such amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made. The Parties shall reasonably cooperate in obtaining any reductions, exemption, credits and refunds of any such withholding Taxes.

Section 2.9 Purchased Assets and Assumed Liabilities Not Transferred at the Initial Closing or Lease Assignment Closing; Excluded Liabilities Wrongfully Transferred at the Initial Closing or Lease Assignment Closing. In the event that (a) Purchaser discovers after the Initial Closing or Lease Assignment Closing, as applicable, that it, or its Affiliates, is the owner of, receives or otherwise comes to possess any Excluded Asset or is liable for any Excluded Liability or (b) Seller discovers after the Initial Closing or Lease Assignment Closing, as applicable, that it, or its Affiliates, is the owner of, receives or otherwise comes to possess any Purchased Asset (including the receipt of payments made pursuant to Assumed Contracts or Facility Lease) or is liable for any Assumed Liability, such Party shall, or shall cause its Affiliates to, convey such asset or Liability, for no additional consideration, to the Party so entitled thereto in accordance with this Agreement (and the entitled Party shall accept such asset or assume such Liability).

Section 2.10 Facility Lease and [***].

(a) At the Initial Closing, each of Purchaser and Seller shall each execute and deliver the Landlord Consent to Sublease Agreement and the Sublease Agreement. At the Lease Assignment Closing, each of Purchaser and Seller shall each execute and deliver the Landlord Consent to Assignment and the Lease Assignment Agreement.

(b) Notwithstanding anything to the contrary in Section 2.2 or Section 6.6, Seller hereby agrees and covenants to use commercially reasonable best efforts to cause the Landlord to execute and deliver the Landlord Consent to Assignment, provided that, if the Landlord requires or imposes any conditions to its execution and delivery of the Landlord Consent to Assignment and such conditions are required or imposed to satisfy the Landlord's requirements with respect to Purchaser's financial condition or creditworthiness, then Seller shall only be required to use commercially reasonable efforts to cause the Landlord to execute and deliver the Landlord Consent to Assignment.

(c) Purchaser shall (i) cooperate in good faith with Seller's efforts to and (ii) use commercially reasonable efforts to cause the Landlord to execute and deliver the Landlord Consent to Assignment, including, without limiting the generality of the foregoing, as promptly as practicable, (x) providing all information requested from Purchaser by the Landlord of Purchaser or its Affiliates and (y) executing any documents required by the Landlord, including the Landlord Consents and Lease Assignment Agreement and credit application. [***] Purchaser hereby expressly agrees, upon Landlord's written request, to enter into a replacement letter of credit as contemplated under the Facility Lease effective upon the Lease Assignment Closing or anytime thereafter.

(d) As set forth on Schedule 2.10(d), Seller shall provide Purchaser, as its contractor, with access to [***] for the provision of certain contracted services, pursuant to the terms and upon the conditions therein.

(e) The terms "commercially reasonable efforts" and "commercially reasonable best efforts" in this Section 2.10 shall not impose on Seller, or any of Seller's Affiliates, an obligation to [***].

Section 2.11 Shared Contracts.

(a) Subject to the provisions of this Section 2.11, the Purchased Assets shall include those rights exclusively relating to the Facility or another Purchased Asset which arise from and after the Initial Closing under a Shared Contract, subject to the terms and conditions of such Shared Contract (such rights, the "Shared Contract Rights"), and the Assumed Liabilities shall include those Liabilities exclusively relating to the Facility or a Purchased Asset which arise from and after the Initial Closing under a Shared Contract, subject to the terms and conditions of such Shared Contract (such Liabilities, the "Shared Contract Liabilities"). All rights and Liabilities which arise under a Shared Contract other than the Shared Contract Rights and the Shared Contract Liabilities shall in all cases be included in the Excluded Assets and the Excluded Liabilities, as applicable. For purposes of determining the scope of the Shared Contract Rights and Shared Contract Liabilities, the rights and Liabilities under each Shared Contract shall be equitably allocated among (a) the Facility and the Purchased Assets, on the one hand, and (b) the other business lines, facilities or other operations other than those solely related to the Facility and the Purchased Assets that will continue to be owned by Seller or its Affiliates, to the extent applicable, after the Initial Closing, on the other hand, in accordance with the following equitable allocation principles:

(i) any allocation set forth in the Shared Contract shall control;

(ii) if there is no allocation in the Shared Contract as described in clause (i) of this Section 2.11(a), then any allocation previously made by Seller or its Affiliates in the ordinary course of business shall control;

(iii) if there is no allocation as described in clause (ii) of this Section 2.11(a), then the quantifiable proportionate benefit to be received by Seller and Purchaser after the Initial Closing Date (to be determined by mutual good faith agreement of Seller and Purchaser) shall control; and

(iv) if not quantifiable as described in clause (iii) of this Section 2.11(a), then reasonable accommodation (to be determined by mutual good faith agreement of Seller and Purchaser) shall control.

(b) At the election of Seller and subject to any applicable consents or approvals, such allocation may be effectuated by termination of the Shared Contract in its entirety and the execution of new Contracts or by an assignment to and assumption by Purchaser of the Shared Contract Rights and the Shared Contract Liabilities under such Shared Contract. The completion of the documentation of any such termination and replacement or assignment is not a condition to the Initial Closing. As soon as practicable after the execution of this Agreement, Purchaser and Seller shall make appropriate requests to obtain, at the election of Seller, either consents or approvals from appropriate third parties to assignment and assumption by Purchaser of such Shared Contract Rights and Shared Contract Liabilities or reasonably comparable replacement or separated Contracts (each, a "Replacement Contract") that provide for the Shared Contract Rights and Shared Contract Liabilities for the benefit of Purchaser and the Business with the remaining rights and Liabilities for the benefit of Seller and its Affiliates, and Purchaser and Seller shall use commercially reasonable efforts to obtain such consents, approvals or Replacement Contracts as expeditiously as possible. Any requests for such consents, approvals or Replacement Contracts shall include a request that Seller and its Affiliates be unconditionally released from all Liabilities relating to the Shared Contract Rights and Shared Contract Liabilities attributable to the period after the Initial Closing, and Purchaser and Seller shall use commercially reasonable efforts to obtain such releases. [***].

(c) Purchaser and Seller agree that obtaining the consents, approvals or Replacement Contracts for the Shared Contracts is not a condition to the Initial Closing. In the event that a consents, approvals or Replacement Contract for a Shared Contract is not obtained by the Initial Closing and the Initial Closing occurs, Seller, in its sole discretion, may either assign the Shared Contract Rights and Shared Contract Liabilities arising under such Shared Contract to Purchaser notwithstanding the absence

of a consents, approvals therefor or use commercially reasonable efforts to cooperate with Purchaser in effecting a commercially reasonable arrangement permitted by Law and not inconsistent with such Shared Contract under which Purchaser shall receive benefits under the Shared Contract corresponding to the Shared Contract Rights from and after the Initial Closing, and, to the extent of the benefits received, Purchaser shall pay and perform Seller's and its Affiliates' Liabilities arising under the Shared Contract corresponding to the Shared Contract Liabilities from and after the Initial Closing in accordance with its terms; provided that Seller and its Affiliates shall not be liable or have any further responsibility to Purchaser for the failure of such consents, approvals or Replacement Contracts to be obtained, and, in connection with any such assignment or arrangement, Seller and its Affiliates shall not be responsible for any Liabilities relating to such assignment or arrangement or the Shared Contract Rights and Shared Contract Liabilities, and Purchaser shall indemnify and hold harmless Seller and its Affiliates from and against any Losses arising out of or related to any such Liabilities. Notwithstanding anything to the contrary, if any amount under any Shared Contract was prepaid by Seller prior to the Initial Closing and Purchaser will receive a Shared Contract Right with respect to such Shared Contract after the Initial Closing, then the Cash Consideration to be paid at the Initial Closing shall be increased by such prepaid amounts

ARTICLE III

CLOSINGS

Section 3.1 Initial Closing. [***] immediately after the satisfaction or waiver of the conditions precedent to the Initial Closing specified in Article VII (other than those conditions which by their nature can only be satisfied or waived at the Initial Closing but subject to waiver or satisfaction of such conditions) via the exchange of documents and signatures or at such other time, date and place as the Parties shall mutually agree in writing. The date on which the Initial Closing occurs is referred to herein as the "Initial Closing Date." All proceedings to take place at the Initial Closing shall be deemed to take place simultaneously.

Section 3.2 Lease Assignment Closing. [***] immediately after the satisfaction or waiver of the conditions precedent to the Lease Assignment Closing specified in Article VII (other than those conditions which by their nature can only be satisfied or waived at the Lease Assignment Closing but subject to waiver or satisfaction of such conditions) via the exchange of documents and signatures or at such other time, date and place as the Parties shall mutually agree in writing. The date on which the Lease Assignment Closing occurs is referred to herein as the "Lease Assignment Closing Date." All proceedings to take place at the Lease Assignment Closing shall be deemed to take place simultaneously.

Section 3.3 Initial Closing Deliveries by Seller. At the Initial Closing, Seller shall deliver to Purchaser:

(a) a duly executed copy of each of the Services Agreement, Asset Assignment Agreement, Transitional Services Agreement, Option Agreement, Seller Economic Share Agreement, Sublease Agreement, the Landlord Consent to Sublease Agreement and the Contractor Use Agreement;

(b) an Internal Revenue Service Form W-9 from Seller (the "W-9");

(c) the Transferred Permits pursuant to Section 2.1(a)(v);

(d) the Transferred Records (to the extent not already located in the Facility);

(e) the certificate of Seller contemplated by Section 7.2(c) duly executed by an authorized officer of Seller; and

(f) such other instruments, certificates, affidavits of title with respect to Persons in possession and mechanics liens, and other documents as Purchaser may reasonably request or as may be otherwise reasonably necessary to evidence the sale, assignment, transfer, conveyance and delivery of the Purchased Assets to Purchaser and the other transactions contemplated by this Agreement and the

Ancillary Agreements (excluding the Lease Assignment Agreement and Landlord Consent to Assignment) and to carry out the obligations of the Parties hereunder and thereunder.

Section 3.4 Initial Closing Deliveries by Purchaser. At the Initial Closing, Purchaser shall deliver to Seller:

(a) the Initial Closing Consideration, pursuant to Section 2.6(b);

(b) a duly executed copy of each of the Services Agreement, Asset Assignment Agreement, Transitional Services Agreement, Option Agreement, Seller Economic Share Agreement, Sublease Agreement, the Landlord Consent to Sublease Agreement and the Contractor Use Agreement;

(c) [***]

(d) the certificate of Purchaser contemplated by Section 7.3(c) duly executed by an authorized officer of Purchaser; and

(e) such other documents and instruments as may be reasonably requested by Seller to consummate the sale of the Purchased Assets and the assumption of the Assumed Liabilities and the other transactions contemplated by this Agreement and the Ancillary Agreements (excluding the Lease Assignment Agreement and Landlord Consent to Assignment) and to carry out the obligations of the Parties hereunder and thereunder.

Section 3.5 Lease Assignment Closing Deliveries by Seller. At the Lease Assignment Closing, Seller shall deliver to Purchaser:

(a) a duly executed copy of the Lease Assignment Agreement; and

(b) an executed copy of the Landlord Consent to Assignment, duly executed by each of Seller and Landlord.

Section 3.6 Lease Assignment Closing Deliveries by Purchaser. At the Lease Assignment Closing, Purchaser shall deliver to Seller:

(a) a duly executed copy of the Lease Assignment Agreement; and

(b) a duly executed copy of the Landlord Consent to Assignment.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Purchaser on and as of the date hereof and as of the Initial Closing Date (except where a representation or warranty speaks to specific date), subject to the disclosures and exceptions set forth in the Seller Disclosure Schedules, as follows:

Section 4.1 Organization and Good Standing. Seller is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. Seller is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature or conduct of its business or the ownership, leasing or operation of its properties or assets requires it to be so qualified, licensed or in good standing, except for such jurisdictions where the failure to be so qualified, licensed or in good standing has not had, and would not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect.

Section 4.2 Authority. Seller has all requisite corporate power and authority to own and operate its properties and assets, to carry on its business as it is now being conducted. Seller has all requisite corporate power and authority to execute and deliver this Agreement, the W-9 and the Ancillary

Agreements to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by Seller of this Agreement, the W-9 and the Ancillary Agreements to which it is a party and the performance by Seller of its obligations hereunder and thereunder have been duly authorized by all requisite corporate action on the part of Seller. This Agreement has been, and the W-9 and each Ancillary Agreement to be executed on the Initial Closing Date will be, duly executed and delivered by Seller, and, assuming the valid execution and delivery by Purchaser, constitute a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar Laws affecting creditors' rights generally or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or law).

Section 4.3 No Conflict. The execution, delivery and performance of this Agreement by Seller and, on the Initial Closing Date, each of the Ancillary Agreements (excluding the Lease Assignment Agreement and Landlord Consent to Assignment) by Seller and the consummation of the transactions contemplated hereby and thereby, do not and will not (a) violate any provision of the certificate of incorporation or by-laws of Seller; (b) subject to obtaining or making of all notices and consents listed on Schedule 4.3 of the Seller Disclosure Schedules, (i) require any action by (including any authorization, consent or approval), or in respect of (including notice to), any Person under any Assumed Contract or Shared Contract; (ii) violate or conflict with, or result in a breach of, constitute a default under, or create rights of acceleration, termination or cancellation under any Assumed Contract or (iii) result in the creation or imposition of a material Encumbrance upon, or the forfeiture of, any Purchased Asset; or (c) violate or result in a breach of or constitute a default under any applicable Law or other restriction of any Governmental Entity to which Seller is subject.

Section 4.4 Required Filings and Consents. The execution and delivery of this Agreement by Seller and the consummation of the transactions contemplated hereby do not require any consents, approvals, notices or filings with any Governmental Entities.

Section 4.5 Compliance with Laws.

(a) Seller (i) has operated its business applicable to the ownership of the Purchased Assets at all times in material compliance with all applicable Laws and Orders and (ii) is not in default or violation of any Material Permit to which Seller is a party or by which Seller is bound or any property or asset of Seller or the Purchased Assets is bound. Seller has all Material Permits and each of such Material Permits is valid, subsisting and in full force and effect as of the date of this Agreement. No Action is pending or threatened in writing regarding the revocation of any Material Permit. Seller has not received any written communication from a Governmental Entity that alleges that Seller is not in compliance with any Law or Order applicable to the Facility or the Purchased Assets.

(b) Neither Seller nor, to the Knowledge of Seller, any of the Representatives of Seller, has, with respect to the Facility or the Purchased Assets, (i) conducted any business or engaged in any transaction or dealing with any Prohibited Person or any other Person with whom transactions were, at the time of such transaction, prohibited as to U.S. Persons by any applicable Sanctions Laws administered by OFAC, including Persons appearing on OFAC's List of Specially Designated Nationals and Blocked Persons or (ii) engaged in or conspired to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempted to violate, any of the prohibitions set forth in any applicable U.S. anti-money laundering Law, the Foreign Corrupt Practices Act of 1977, as amended, or any regulations promulgated under the foregoing statutes.

Section 4.6 Regulatory Compliance.

(a) The Purchased Assets have been used in compliance in all material respects with all applicable Laws, including (to the extent applicable) (i) the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act, both as amended, and all regulations and guidance promulgated thereunder, and (ii) the Federal Trade Commission Act, (iii) any other Laws governing the manufacturing of therapeutic and pharmaceutical products and (iv) all Laws similar to the foregoing within any other federal, state, local or foreign jurisdiction ("Regulatory Laws").

(b) Seller has all applicable/required Material Permits, and each of such Material Permits is valid, subsisting and in full force and effect. No proceeding is pending or threatened (or otherwise reasonably anticipated) regarding the revocation of any Material Permit.

(c) Seller has not, regarding or related to the Facility or the Purchased Assets, (i) received or been subject to any Action, written notice, warning or untitled letter, administrative proceeding, review or investigation by a Regulatory Authority related to the Facility or the Purchased Assets, (ii) received any written communication from a Governmental Entity that alleges that Seller is not in compliance with the Regulatory Laws, or (iii) been subject to a corporate integrity agreement, deferred prosecution agreement, consent decree, monitoring agreement, settlement agreement or other similar agreements with or orders imposed by any Governmental Entity mandating or prohibiting future or past activities related to Facility or the Purchased Assets.

(d) Seller has filed all reports, responses, statements, documents, registrations, filings, amendments, supplements and submissions required to be filed by it with respect to the Facility or the Purchased Assets under applicable Regulatory Laws. To Seller's Knowledge, each such filing was true, complete and accurate as of the date of submission. Any material and legally necessary or required updates, changes, corrections, amendments, supplements or modifications to such filings have been submitted to the applicable Governmental Entity.

(e) With respect to the Facility or the Purchased Assets, neither Seller, nor any officer, employee, agent or distributor of Seller, has made an untrue statement of a material fact or a fraudulent or misleading statement to the FDA or any other Regulatory Authority, failed to disclose a material fact required to be disclosed to the FDA or any other Regulatory Authority, committed an act, or made a statement or failed to make a statement that, at the time of such statement, disclosure, or act, would reasonably be expected to provide a basis for the U.S. Department of Justice to invoke 18 USC 1001 or 18 USC 1343, or FDA to invoke its policy respecting "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" set forth in 56 Fed. Reg. 46191 (September 10, 1991), or for the FDA or any other Regulatory Authority to invoke any similar law or policy.

(f) Neither Seller, nor, to the Seller's Knowledge, (x) any officer or employee of Seller, nor (y) any agent or distributor of Seller, in each case in their role as such, (i) has been convicted of any crime or engaged in any conduct in the operation of the Facility or the Purchased Assets for which debarment is mandated or authorized by 21 U.S.C. § 335a or any similar applicable Law, nor has any such Person been so debarred, (ii) is a Prohibited Person or (iii) is subject to an investigation or proceeding by any Regulatory Authority with respect to the Facility or the Purchased Assets that could result in such suspension, exclusion or debarment and there are no facts, to the Knowledge of Seller, that would reasonably be expected to give rise to such suspension, exclusion or debarment.

Section 4.7 Undisclosed Liabilities. As of immediately after the Initial Closing, Purchaser shall have no Liabilities for any obligations of Seller or any of Seller's Affiliates, except those Liabilities assumed as part of the Assumed Contracts, the Shared Contracts, or the Sublease Agreement (but excluding, for the avoidance of doubt, any Liabilities resulting from Seller's breach of such Assumed Contracts, the Shared Contracts or the Sublease Agreement) and the other Assumed Liabilities. As of immediately after the Lease Assignment Closing, Purchaser shall have no Liabilities for any obligations of Seller or any of Seller's Affiliates, except those Liabilities assumed as part of the Lease Assignment Agreement and the other Assumed Liabilities.

Section 4.8 Developments.

(a) Since March 31, 2023, except as contemplated by this Agreement or as listed on Schedule 4.8 of the Seller Disclosure Schedules, the Facility and the Purchased Assets have been operated in all material respects in the ordinary course consistent and there has not been:

(i) any Seller Material Adverse Effect;

(ii) any sale, pledge, disposition, transfer, lease, license or Encumbrance by Seller of any Purchased Assets, other than Permitted Encumbrances;

(iii) any settlement of any Litigation or material claim or waiver of any material claim or right of material value in a manner that would constitute an Assumed Liability or that otherwise relates to the Facility or the Purchased Assets;

(iv) any amendment or waiver of any material provision of, or material modification of, any Assumed Contract or Shared Contract;

(v) any termination, cancellation, amendment, waiver or modification of any Permit other than amendments and modifications in the Ordinary Course of Business;

(vi) except as required by applicable Tax Law, any change in any material Tax election or method of accounting, any amended material Tax Return, any entry into a closing agreement with respect to material Taxes, any surrender of a right to a material Tax refund, or settlement or compromise of any material liability in respect of Taxes, in each case, with respect to the Purchased Assets or Transferred Workers; or

(vii) any agreement, in writing or otherwise, to take any action described in this Section 4.8.

Section 4.9 Taxes.

(a) For all periods for which the applicable statute of limitations remains open, Seller and its Affiliates have paid all income and other material Taxes relating to the Purchased Assets or Transferred Workers that are due and payable. There are no Encumbrances with respect to Taxes upon any of the Purchased Assets, other than Permitted Encumbrances. Seller and its Affiliates have deducted, withheld and paid to the appropriate Governmental Entity all material Taxes required to be deducted, withheld or paid in connection with the Purchased Assets or with amounts paid or owing to any Transferred Workers (or are holding for such payment).

(b) For all periods for which the applicable statute of limitations remains open, Seller and its Affiliates have timely filed (taking into account any valid extensions) all income and other material Tax Returns required to be filed with respect to the Purchased Assets or Transferred Workers, and such Tax Returns were true, correct and complete in all material respects.

(c) Seller and its Affiliates have not received written notice from any Taxing Authority regarding any pending or threatened audits, investigations, disputes, notices of deficiency, claims or other Actions or proceedings for or relating to any Taxes of Seller or any of its Affiliates with respect to the Purchased Assets or Transferred Workers. All deficiencies for Taxes with respect to the Purchased Assets or Transferred Workers have been fully paid or settled.

(d) No written claim has ever been received by Seller or any of its Affiliates from a Taxing Authority in a jurisdiction where Seller or any of its Affiliates do not file Tax Returns that Seller or any of its Affiliates is or may be subject to taxation by or required to file Tax Returns in that jurisdiction, in each case with respect to the Purchased Assets or Transferred Workers.

(e) Neither Seller, nor any of its Affiliates, has waived any statute of limitations in respect of Taxes relating to the Purchased Assets or Transferred Workers or agreed to, or is a beneficiary of, any extension of time with respect to a Tax assessment or deficiency relating to the Purchased Assets or Transferred Workers, in each case other than pursuant to automatic extensions of the due date for filing a Tax Return obtained in the Ordinary Course of Business.

(f) Neither Seller nor any of its Affiliates is party to any Tax sharing, allocation, indemnity or similar agreement or arrangement with respect to the Purchased Assets or Transferred Workers, other than agreements or arrangements entered into the Ordinary Course of Business the primary purpose of which is not Taxes.

(g) Seller and its Affiliates are in compliance with all terms and conditions of any Tax exemption, holiday or similar benefits claimed with respect to the Purchased Assets or Transferred Workers that is not available without specific application therefor and, to the Knowledge of Seller, the consummation of the Transactions does not have any adverse effect on any such Tax exemption, holiday or benefits.

(h) This Section 4.9 and Section 4.16 contain the sole and exclusive representations and warranties of Seller with respect to any Tax matters, and any claim for breach of representation with respect to Taxes shall be based solely on the representations made in this Section 4.9 and Section 4.16 and shall not be based on the representations set forth in any other provision of this Agreement. Nothing in this Section 4.9 or elsewhere in this Agreement shall be construed as a representation or warranty with respect to any Taxes attributable to any taxable period (or portion thereof) beginning after the Initial Closing Date.

Section 4.10 Litigation.

(a) There is no claim of which Seller has received written notice, including any dispute, Action, indictment, alternative dispute resolution or other similar proceeding ("Litigation") pending or threatened, against Seller relating to Facility or the Purchased Assets.

(b) There is no Order of any Governmental Entity or arbitrator outstanding against, or actual threatened (in writing), investigation by, any Governmental Entity involving the Facility or the Purchased Assets.

Section 4.11 Contracts.

(a) As of the date hereof, each Assumed Contract and Shared Contract is and, as of the Initial Closing Date, will be in full force and effect and is a legal, valid and binding agreement of Seller and, to the Knowledge of Seller, is a legal, valid and binding agreement of each other party thereto, enforceable against Seller and, to the Knowledge of Seller, enforceable against each other party thereto in accordance with its terms, subject, as to enforcement of remedies, to bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting the rights and remedies of creditors generally and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity). Seller has performed or is performing in all material respects all obligations required to be performed by it under the Assumed Contracts or Shared Contracts and is not in breach or default thereunder in any material respect, and all monetary obligations that are due and payable as of the date hereof have been paid in full. As of the date hereof, (i) there are no outstanding or past due payments under the Assumed Contracts or Shared Contracts, (ii) to the Knowledge of Seller, no other party to any of the Assumed Contracts or Shared Contracts is in breach or default thereunder, and (iii) to the Knowledge of Seller no event has occurred which, with or without notice, lapse of time, or both, would constitute a default under the provisions of such Assumed Contract or Shared Contract or would give to others any right of termination, amendment or cancellation of any Assumed Contract or Shared Contract.

(b) Schedule 1.1(a) sets forth a true and complete list of all Assumed Contracts and Schedule 1.1(f) sets forth a true and complete list of all Shared Contracts. Seller has prior to the date hereof delivered or made available to Purchaser a copy of each Assumed Contract or Shared Contract that is true and complete in all material respects (including all amendments, modifications, extensions, guarantees and renewals thereof and waivers thereunder).

Section 4.12 Title to and Sufficiency of Purchased Assets.

(a) Seller owns, leases or has the legal right to use all of the Purchased Assets. Seller has good, valid and marketable title to all the Purchased Assets free and clear of all Encumbrances other than Permitted Encumbrances.

(b) The Asset Assignment Agreement, the Sublease Agreement and the assignments and other instruments to be executed and delivered by Seller to Purchaser at the Initial Closing, assuming

the valid execution and delivery of the same by Purchaser (and, with respect to the Sublease Agreement, valid execution and delivery of the Landlord's Consent to Sublease Agreement), will be valid and binding obligations of Seller, enforceable in accordance with their respective terms, and will vest in Purchaser good, valid and marketable title to, and ownership of, the Purchased Assets free and clear of all Encumbrances as of immediately following the Initial Closing, except Permitted Encumbrances and Assumed Liabilities.

(c) All of the Equipment included in the Purchased Assets is, to Knowledge of Seller, in good condition and repair. The Transferred Tangible Assets are adequate and suitable for their present uses in all material respects and include all Equipment and other tangible assets reasonably necessary to operate the Purchased Assets as operated by Seller as of the date hereof.

Section 4.13 The Facility and Facility Lease.

(a) The Facility Lease is in full force and effect and is a valid, binding and enforceable obligation of Seller and the other parties thereto. Seller possesses a valid and existing leasehold interest in, and the right to quiet enjoyment of the Facility free and clear of any Encumbrances, except for Permitted Encumbrances. Seller has made available to Purchaser a true, correct and complete copy of the Facility Lease, and all amendments, modifications and supplemental agreements thereto, and guaranties thereof.

(b) To the Knowledge of Seller, there is no pending or threatened in writing condemnation, eminent domain or similar proceeding with respect to the Facility or any portion thereof. The current use of the Facility by Seller is in compliance in all material respects with all applicable Laws. No Action is pending or threatened in writing claiming that the use of the Facility violates any applicable Law. There are no suits, petitions, notices or proceedings pending, given or threatened in writing by any Persons or Regulatory Authorities before any court or Regulatory Authorities, which if given, commenced or concluded, individually or in the aggregate, would impair or interfere with the leasehold interest, or use of the Facility. The current use of the buildings, fixtures, and other improvements currently located on the Facility as presently conducted by Seller is not in violation of or in conflict with, in any respect, any applicable building code, zoning ordinance or other applicable Law. Seller has obtained any permits and other necessary authorizations related to Seller's use of the Facility as of the date hereof.

(c) Seller has not subleased, licensed, or granted the right to use or occupy any portion of the Facility to any third parties and there are no third parties in possession or control of all or any portion of the Facility.

(d) Seller does not owe nor will it owe in the future (in connection with the activities of Seller prior to the Lease Assignment Closing) any brokerage commissions or finders' fees with respect to the Facility or the Facility Lease.

(e) No Encumbrance other than any Permitted Encumbrance adversely affects the current use of the Facility, and Seller is in compliance with all Encumbrances encumbering the Facility.

(f) Seller has not received written notice from any third party, related to any dispute or disagreement in connection with the Facility.

(g) The Facility Lease has not been terminated by Landlord, and the Facility Lease has not been modified, supplemented or amended in any way except as otherwise set forth in this Agreement. The Facility Lease represents the entire agreement between Seller and Landlord under the Facility Lease as to the leased premises thereunder, and there are no other agreements or understandings, written or oral, between Seller and Landlord with respect to the Facility Lease.

Section 4.14 Environmental Matters.

(a) To the Knowledge of Seller, the Purchased Assets, the Facility and all operations of the Seller at the Facility are in compliance in all respects with all applicable Environmental Laws,

including possessing and complying with the terms of all Environmental Permits required for their operations under applicable Environmental Laws. No Environmental Claim or other Action is pending or, to the Knowledge of Seller, threatened, the effect of which would be to terminate, suspend, revoke or materially modify any such Environmental Permit. To the Knowledge of Seller, no material capital expense is required in order to achieve or maintain the Facility's compliance with Environmental Laws or any such Environmental Permits.

(b) There is no pending or, to the Knowledge of Seller, threatened Environmental Claim against Seller with respect to the Purchased Assets or the Facility. Seller is not a party or subject to any Order or other agreement that resolves or settles any Environmental Claim asserted in relation to the Purchased Assets or the Facility.

(c) Neither Seller nor, to the Knowledge of Seller, any third party, has released any Hazardous Materials at, onto, under or from the Facility in a manner that would reasonably be expected to result in material liability or investigatory or remedial obligations for the owner or operator of the Facility pursuant to Environmental Law.

(d) Seller has delivered or made available to Purchaser all material assessments, reports, data, results of investigations or audits, and other information that are or at any time were in the possession of Seller pertaining to (i) any unresolved Environmental Claims against Seller relating to the Purchased Assets, the Facility or the operations of the Seller, (ii) relating to the compliance of the Purchased Assets, the Facility or the operations of the Seller with applicable Environmental Laws, or (iii) the environmental condition of the Facility or the Purchased Assets.

Section 4.15 Intellectual Property. Seller solely owns, or has a valid right to use, all Transferred Intellectual Property free and clear of any Encumbrances, other than Permitted Encumbrances and licenses granted to service providers conducting activities on behalf of Seller. [***]. There is not now and has not been at any time a pending or threatened (in writing) Action, allegation, or notice (including in the form of a written offer or invitation to obtain a license) against Seller (i) alleging misappropriation, infringement, dilution or other violation of any Person's Intellectual Property in connection with the use of the Purchased Assets, the Facility, or the Licensed Technology, or (ii) alleging misuse or antitrust violations arising from the use by Seller of the Facility, any Purchased Assets, or any of the Licensed Technology.

Section 4.16 Employee Benefits.

(a) Schedule 4.16(a) of the Seller Disclosure Schedules sets forth, as of the date hereof, a true, complete and correct list of each material Employee Plan. For purposes of this Agreement, "Employee Plan" means each "employee benefit plan" (as defined in Section 3(3) of ERISA, whether or not subject to ERISA), and each employment, individual independent contractor, bonus (whether contractual or discretionary), commission, equity or equity-based incentive, stock purchase, stock ownership, stock bonus, deferred compensation, retiree medical or life insurance, supplemental retirement, retirement, pension, health or welfare, severance, transaction, change in control, retention, vacation or paid time-off, fringe benefit or other compensatory or employee benefit plan, program, policy, agreement or arrangement, whether written or unwritten, which is maintained, contributed (or required to be contributed) to or sponsored by Seller or any of its Affiliates for the benefit of any Facility Worker (or the dependent or beneficiary of any Facility Worker).

(b) Seller has made available to Purchaser a summary of the material welfare benefit and retirement plans in which the Facility Workers are eligible to participate.

(c) No Employee Plan is, and neither Seller nor any of its ERISA Affiliates maintains, sponsors or contributes to, or has, within the past six (6) years, maintained, sponsored or contributed (or been required to contribute) to, or has or had any Liability with respect to any of the following: (i) any "multiemployer plan" (as defined in Section 3(37) or 4001(a)(3) of ERISA); (ii) any "multiple employer plan" (as described in Section 413(c) of the Code); (iii) any "multiple employer welfare arrangement" (as defined in Section 3(40) of ERISA); or (iv), any employee benefit plan that is subject to Title IV of ERISA or Section 412 of the Code.

(d) Other than as set forth in Schedule 4.16(d) of the Seller Disclosure Schedules, neither the execution of this Agreement or the other Ancillary Agreements nor the consummation of the transactions contemplated by this Agreement (either together with or upon the occurrence of any additional or subsequent events) will with respect to any Facility Worker (i) increase any compensation or benefits otherwise due under any Employee Plan; (ii) cause an entitlement to or obligation to make any severance pay, increase in severance pay, or any other similar payment or benefit; (iii) accelerate the timing of payment, funding or vesting, or increase the amount of compensation (including equity or equity-based compensation); (iv) result in any forgiveness of indebtedness; or (v) result in any "excess parachute payment" within the meaning of Section 280G of the Code. No Facility Worker is entitled to any gross-up, make-whole, or other additional payment from Seller in respect of any Tax or interest or penalty related thereto under Sections 409A or 4999 of the Code or otherwise.

(e) Each Employee Plan that is intended to be qualified under Section 401(a) of the Code has received a timely, favorable determination, advisory or opinion letter from the IRS to the effect that the Employee Plan meets the requirements of Code Section 401(a). No fact or event has occurred since the date of such determination, advisory or opinion letter from the IRS that would reasonably be expected to adversely affect the qualified status of any such Employee Plan or the exempt status of any related trust.

Section 4.17 Labor and Employment Matters.

(a) Schedule 1.1(c) sets forth a complete and correct list of each Facility Worker, including such individual's: (A) name (B) title or position (including whether full or part time), (C) classification as an employee or independent contractor, (D) hire date, (E) current annual base salary, wage rate or consulting fee (as applicable), (F) whether exempt or non-exempt (if applicable), (G) target commission, bonus or other incentive-based compensation potential, (H) equity or other non-cash compensation, (I) leave status (and if on leave, the duration and expected return date), (J) visa status and expiration date (if applicable), (K) work location (city, state, and country) and (L) employing or engaging entity. Schedule 1.1(c) also sets forth a description of the services provided for each of the individuals classified as independent contractors. To the Knowledge of Seller, no Facility Worker (i) intends to terminate such individual's relationship or status as an "employee" or "independent contractor," as applicable, with Seller or any of its Affiliates or to materially reduce such Facility Worker's working hours with respect to Seller or any of its Affiliates or (ii) intends not to accept an offer of employment from Purchaser made pursuant to Section 6.12. Neither Seller nor any of its Affiliates has provided any assurances, promises, or commitments is (contingent or otherwise) to any Facility Worker of any terms or conditions of employment or engagement with Seller, Purchaser or any of their respective Affiliates following the Initial Closing inconsistent with the terms of this Agreement.

(b) All Facility Workers are employed or engaged (as applicable) by Seller on an "at-will" basis and their employment or engagement is terminable upon [***] notice or less by Seller or its Affiliates, as applicable, without cash compensation, except for wages or fees earned prior to the time of termination.

(c) No individual engaged as an independent contractor by, or employed by, Seller, other than the Facility Workers, provides services at the Facility or otherwise with respect to the Purchased Assets.

(d) To Seller's Knowledge, no Facility Worker has ever been the subject of any sexual harassment, sexual assault, or sexual discrimination allegations during his or her tenure with Seller or any of its Affiliates, in connection with such individual's work or services, as applicable, for Seller or the applicable Affiliate of Seller.

(e) There is no Contract with any Facility Worker which provides that a change in ownership of the Purchased Assets or any portion thereof, in and of itself, entitles such Facility Worker to any cash payment or additional period of notice or entitles such Facility Worker to treat himself or herself as redundant or otherwise dismissed or released from any obligation.

(f) With respect to the Facility Workers, Seller and each of its Affiliates are currently, and have been for the past three (3) years, in compliance in all material respects with all applicable Laws regarding labor and employment, including those related to employment practices, terms and conditions of employment, child labor, background checks and drug testing, withholdings and deductions, nondiscrimination, non-harassment and non-retaliation in employment, wages and hours, classification and payment of employees and independent contractors, leaves of absence, accommodations, collective bargaining, equal opportunity, disability rights, family and medical leave, occupational health and safety (including any applicable Laws related to the COVID-19 Pandemic), workers' compensation, immigration and work permit, notice of termination and redundancy, plant closings and mass layoffs, the payment of social security, and has not engaged in any unfair labor practice. Each Facility Worker has provided documentation establishing that they are lawfully eligible to work for Seller or the applicable Affiliate of Seller in the jurisdiction in which such individual is employed or engaged. All necessary visa or work authorization petitions have been timely and properly filed on behalf of any Facility Worker requiring a visa stamp, I-94 status document, employment authorization document or other immigration document to legally work in the United States, and all paperwork retention requirements with respect to such applications and petitions have been met.

(g) There are no, and since the inception of Seller there have not been any, Actions against Seller or any of its Affiliates in relation to the Facility Workers pending or, to the Knowledge of Seller, threatened in writing, against Seller or any of its Affiliates regarding labor and employment matters, including, without limitation, any claim relating to unfair labor practices, employment discrimination, harassment, restrictive covenants, wages and hours, remote work, retaliation, or equal pay, or in connection with the employment or retention or termination of employment or engagement of any current or former employee, independent contractor, or other non-employee service provider.

(h) There are no outstanding loans, advances or similar extensions of credit from Seller or any of its Affiliates to any of their respective Facility Workers. Except in respect of reimbursement of out-of-pocket expenses and normal accrual of compensation, no sum is owing or promised to any Facility Worker by Seller or any of its Affiliates, including any outstanding loans, advances or similar extensions of credit.

(i) With respect to the Facility Workers, the Facility and the Purchased Assets, neither Seller nor any of its Affiliates is or has at any time been a party, or otherwise subject, to any collective bargaining agreement, memoranda of understanding, work council agreement, or other Contract with any labor or trade union or works council (a "Union"), and no such Contract is being negotiated by Seller or any of its Affiliates. No Facility Worker is represented by any Union or otherwise covered by any Contract with any Union in connection with their employment by or service to Seller or any of its Affiliates, and to the Knowledge of Seller, there are no, and there is no threat of any, organizational efforts or activities of, or proceedings initiated by or on behalf of, any Union. No petition has been filed or proceedings instituted by or on behalf of any Facility Worker against Seller or any of its Affiliates with any labor relations board seeking recognition of a bargaining representative. No demand for recognition of any Facility Worker has been made by, or on behalf of, any Union involving Seller or its Affiliates. No notice to, consent of, consultation of, or the rendering of formal advice by any Union will be a condition precedent to, triggered by, or otherwise required in advance of, the execution of this Agreement or any other Ancillary Agreement or the consummation of any of the transactions contemplated by this Agreement. There is no unfair labor practice complaint against Seller or any of its Affiliates pending before the National Labor Relations Board.

(j) Since the inception of Seller, (i) neither Seller nor any of its Affiliates has experienced, nor to the Knowledge of Seller has there been any threat of, any labor strike, lockout, picketing, slow down or stoppage, concerted refusal to work overtime or other similar labor activity or dispute affecting the Seller or its Affiliates; and (ii) neither Seller nor any of its Affiliates has received any demand letters, civil rights charges, suits, or complaints (or threats thereof) or, to the Knowledge of Seller, been subject to an investigation related to claims made by any of its current or former Facility Workers, whether before the Equal Employment Opportunity Commission, the National Labor Relations Board, the U.S. Department of Labor, the U.S. Occupational Safety and Health Administration, the Workers Compensation Appeals Board, the Equality and Human Rights Commission, the Office of the

Information Commissioner or any other Governmental Entity or health and safety enforcement body, or any similar state administrative agency.

(k) Neither Seller nor its Affiliates has taken any action since the inception of Seller with respect to any of its or their respective employees that would trigger notice, compensation, or other obligations under the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar applicable Law (collectively, the "WARN Act") regarding redundancies, reductions in force, mass layoffs and plant closings.

(l) Neither Seller nor its Affiliates has furloughed, placed on unpaid leave (other than as required by Law), terminated the employment of, or materially reduced the compensation or benefits of, or materially modified the working schedule of twenty-five (25) or more Facility Workers, in each case for any reason relating to COVID-19.

Section 4.18 Brokers. No broker, finder or investment banker is entitled to any brokerage, finders or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Seller.

Section 4.19 Insurance. Seller maintains insurance policies related to the Facility and the Purchased Assets as set forth in Schedule 4.19 of the Seller Disclosure Schedules. Any premiums for such insurance policies have been paid in full through the date hereof. As of the date hereof, Seller has not received any written notice from any insurance carrier of any matter that, if not corrected, would result in a termination of insurance coverage or increase in the present cost thereof.

Section 4.20 No Bankruptcy/Dissolution. No Bankruptcy/Dissolution Event has occurred with respect to Seller. As used herein, a "Bankruptcy/Dissolution Event" means any of the following: (a) the commencement of a case under Title 11 of the United States Code or under any other applicable bankruptcy Law or insolvency Law; (b) the appointment of a trustee or receiver for its property; (c) a dissolution or liquidation; (d) an assignment for the benefit of creditors; (e) an admission by in writing of insolvency or inability to pay debts as they become due; or (f) the entry into a Contract to do any of the foregoing.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF PURCHASER AND TOPCO

Purchaser hereby represents and warrants to Seller as follows:

Section 5.1 Organization and Good Standing. Purchaser and TopCo are each, respectively, a limited liability company and a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. Each of Purchaser and TopCo are duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature or conduct of each of their businesses or the ownership, leasing or operation of their respective properties and other assets requires them to be so qualified, licensed or in good standing, except for such jurisdictions where the failure to be so qualified, licensed or in good standing has not had, and would not reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect.

Section 5.2 Authority. Purchaser and TopCo each have, respectively, all requisite corporate power and authority to own and operate their properties and assets, to carry on each of their business as it is now being conducted and to execute and deliver this Agreement and the Ancillary Agreements and to perform their respective obligations hereunder and thereunder. The execution and delivery by Purchaser and TopCo of this Agreement and the Ancillary Agreements and the performance by each of Purchaser and Topco of their respective obligations hereunder and thereunder have been duly authorized by all requisite corporate action on the part of each of Purchaser and TopCo and no additional authorization on the part of Purchaser or TopCo is necessary in connection with the execution, delivery and performance of this Agreement or of the Ancillary Agreements. No approval of each of Purchaser's and TopCo's shareholders is necessary for Purchaser and TopCo to execute and deliver this Agreement or any Ancillary Agreements or perform the transactions contemplated hereby or thereby. This Agreement and

each Ancillary Agreement to be executed on the date hereof has been, and each other Ancillary Agreement to be executed on the Initial Closing Date will be, duly executed and delivered by each of Purchaser and TopCo, as applicable, and, assuming the valid execution and delivery by Seller, constitute a legal, valid and binding obligation of each of Purchaser and TopCo, enforceable against each of Purchaser and TopCo in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar Laws affecting creditors' rights generally or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or law).

Section 5.3 No Conflict. The execution, delivery and performance of this Agreement and each of the Ancillary Agreements by each of Purchaser and TopCo and the consummation of the transactions contemplated hereby and thereby, do not and will not (a) violate any provision of the operating agreement, certificate of incorporation bylaws or other organizational documents of Purchaser or TopCo, as applicable, (b) violate or conflict with, or result in a breach of, constitute a default under, or create rights of acceleration, termination or cancellation under, or to a loss of any benefit to which Purchaser, TopCo or any of their respective Affiliates is entitled under, any agreement, lease of real estate or license of intellectual property to which Purchaser, TopCo or any of their respective Affiliates is a party or to which their respective properties or assets are subject or (c) violate, in any material respect, or result in a material breach of or constitute a material default under any Law or other restriction of any Governmental Entity to which Seller is subject, except, with respect to clauses (b) and (c), for any conflicts, violations, breaches or defaults that would not, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect.

Section 5.4 Required Filings and Consents. The execution and delivery of this Agreement by Purchaser and the consummation of the transactions contemplated hereby, do not require any consents, approvals, notices and filings with any Governmental Entities.

Section 5.5 Litigation. There is no Litigation pending or threatened (or otherwise reasonably anticipated) against Purchaser which, individually or in the aggregate, would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated by this Agreement or the Ancillary Agreements. There are no Orders of any Governmental Entity or arbitrator outstanding against or, to the knowledge of Purchaser, investigation by, any Governmental Entity involving Purchaser or any of its assets which, individually or in the aggregate, would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated by this Agreement.

Section 5.6 Brokers. No broker, finder or investment banker is entitled to any brokerage, finders or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Purchaser or any of its Affiliates.

Section 5.7 Sufficiency of Funds. On the Initial Closing Date, Purchaser shall have sufficient cash to pay the Cash Consideration at the Initial Closing. Purchaser has delivered true and correct copies of the Equity Commitments Letters to Seller. The Equity Commitment Letters are in full force and effect and each and is a valid and binding obligation of Purchaser, TopCo and the other parties thereto, except as enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar Laws relating to or affecting the rights of creditors generally and by equitable principles, including those limiting the availability of specific performance, injunctive relief and other equitable remedies and those providing for equitable defenses. No event has occurred which, with or without notice, lapse of time or both, would constitute a material breach or default by Purchaser, TopCo or the other parties thereto thereunder. Following the Initial Closing on the terms and conditions contemplated by this Agreement, Purchaser shall have access, pursuant to the Equity Commitment Letters, to sufficient cash to satisfy its obligations hereunder on the terms and conditions specified therein

Section 5.8 [***]

ARTICLE VI

COVENANTS

Section 6.1 Conduct of Business. From and after the date hereof and until the Initial Closing, except (1) as otherwise expressly contemplated by this Agreement or any Ancillary Agreement or (2) as Purchaser shall otherwise consent in writing, Seller agrees that it shall operate the Facility and use and maintain the Purchased Assets, and will cause the Facility to be operated and the Purchased Assets to be used and maintained, in the ordinary course and consistent with past practice ("Ordinary Course of Business"). Without in any way limiting the generality of the foregoing and subject to applicable Law, from and after the date hereof and to the Initial Closing, except (x) as otherwise expressly contemplated by this Agreement or (y) as Purchaser shall otherwise consent in writing (which consent shall not be unreasonably withheld, conditioned or delayed), Seller covenants and agrees as follows:

(a) Seller shall consult and collaborate in good faith with Purchaser with respect to hiring or engaging any Person in connection with the Facility;

(b) Seller shall use its commercially reasonable efforts, consistent with past practices and policies, to:

(i) continue in full force and effect without modification all insurance policies related to the Facility or the Purchased Assets, other than modifications in the Ordinary Course of Business that do not adversely impact the benefit to Seller of such policies;

(ii) preserve intact the relationship of Seller with actual or prospective Facility Workers, vendors, suppliers, service providers and other third parties having material business relationships with Seller with respect to the Purchased Assets and the Facility; and

(iii) maintain all Transferred Tangible Assets in their current state of repair, order and condition and preserve all other Purchased Assets in accordance with its Ordinary Course of Business; and

(c) Seller shall not take any of the following actions:

(i) fail to maintain in effect, or cause to maintain in effect, all Transferred Permits and any other Permits necessary to use the Facility and the Purchased Assets in the same manner as currently used;

(ii) sell, pledge, dispose of, transfer, lease, license, encumber or authorize the sale, pledge, disposition, transfer, lease, license or Encumbrance of any assets that are Purchased Assets, other than Permitted Encumbrances;

(iii) create, assume or permit to exist any Encumbrance, other than Permitted Encumbrances, on the Purchased Assets;

(iv) acquire, lease, sell or license any real property that constitutes Purchased Assets;

(v) acquire any properties or assets that constitute Purchased Assets;

(vi) settle any Litigation or claim or waive any claims or rights in a manner that would constitute an Assumed Liability from and after the Initial Closing;

(vii) enter into any new Contract that would be an Assumed Contract or Shared Contract or amend or renew any Contract pertaining to the Purchased Assets;

(viii) terminate, waive or amend any provision of any Assumed Contract or Shared Contract;

(ix) except as required by applicable Tax Law, make or change any material Tax election, change any method of accounting, amend any material Tax Returns, enter into any material closing agreement with respect to Taxes, surrender any right to a material Tax refund, or settle or compromise any material Tax Liability, in each case with respect to the Purchased Assets or Transferred Workers;

(x) (A) hire, engage or transfer the employment or engagement of any Facility Worker in connection with the Facility; (B) terminate the employment or engagement of any Facility Worker; (C) negotiate, enter into, amend or extend any collective bargaining agreement or other Contract with a Union that covers any Facility Worker or otherwise relates to the Facility or recognize as the bargaining representative for any Facility Workers; or (D) increase the compensation or benefits of any Facility Worker other than a cost of living or contractually mandated increase; or

(xi) agree, in writing or otherwise, to take or authorize the taking of any of the foregoing actions.

Section 6.2 Conduct Regarding Facility Lease. From and after the date hereof and until the earlier of the Lease Assignment Closing and the termination of the Sublease Agreement in accordance with its terms, [***].

Section 6.3 Information and Documents.

(a) From time to time prior to the Initial Closing, upon reasonable advance notice and to the extent permitted by applicable Law, Seller shall permit Purchaser and its Representatives to have reasonable access, during normal business hours, to properties, including the Facility, assets, books, records, agreements, documents, data, files and personnel, in each case to the extent relating to the Facility, the Contractual Rights or the Purchased Assets, as may reasonably be requested by Purchaser; provided, however, that such access shall not unreasonably interfere with Seller's operation of its businesses.

(b) Prior to the Initial Closing, all information received by Purchaser and given by or on behalf of Seller or any of its Representatives in connection with this Agreement and the Transactions will be held by Purchaser and its Representatives as "Confidential Information," as defined in, and pursuant to the terms of, the Confidentiality Agreement.

(c) Notwithstanding anything to the contrary in this Agreement, Seller shall use its commercially reasonable best efforts to deliver to Purchaser the Transferred Records as promptly as practicable following the Initial Closing, and shall continue to use its commercially reasonable best efforts to deliver to Purchaser any Transferred Records not previously delivered pursuant to this Section 6.3(c).

Section 6.4 Trade Notification. [***].

Section 6.5 License Agreement, Sub-License Agreement, and Use of Seller's Intellectual Property.

(a) After the Initial Closing, the Parties shall continue to negotiate in good faith, mutually agree the terms and conditions of, and subsequently enter into (i) a license agreement (the "License Agreement") and (ii) a sub-license agreement, (the "Sub-License Agreement"), each of which shall be agreed on the basis of, and be consistent with, the terms and principles set out in Exhibit I.

(b) [***]

(c) As set forth more fully in the Option Agreement, Purchaser's right to exercise its rights pursuant to the Option Agreement shall be conditioned upon and subject to the execution and delivery of each of the License Agreement and the Sub-License Agreement by Purchaser and Seller.

Section 6.6 Other Post-Initial Closing Covenants.

(a) From time to time after the Initial Closing, and for no further consideration, each of the Parties shall, and shall cause its Affiliates to, execute, acknowledge and deliver such assignments, transfers, consents, assumptions and other documents and instruments and take such other commercially reasonable actions as may reasonably be requested to more effectively assign, convey or transfer to or vest in Purchaser and its designated Affiliates the Purchased Assets and the Assumed Liabilities contemplated by this Agreement to be transferred or assumed at the Initial Closing (including transferring, at no additional cost to Purchaser, any Purchased Asset contemplated by this Agreement to be transferred to Purchaser at the Initial Closing and that was not so transferred at the Initial Closing); and

(b) Purchaser and TopCo shall (i) cause the Equity Commitment Letters to remain in full force and effect in accordance with their terms, (ii) take all best efforts to enforce the Equity Commitment Letters and to comply with all covenants and agreements set forth therein applicable to each of them and (iii) not modify, amend or waive any provision of either Equity Commitment Letter without Seller's written consent.

Section 6.7 Payments under Assumed Contracts and Transferred Permits.

(a) If and to the extent that Seller has, prior to the Initial Closing Date, received any deposit or payment in advance in respect of obligations to be satisfied after the Initial Closing under any Assumed Contracts or Transferred Permits, Seller shall reimburse to Purchaser, within [***] from the Initial Closing Date, an amount corresponding to the amount of such deposit or payment received in advance.

(b) If and to the extent Purchaser receives any payment, refund, reimbursement or rebate following the Initial Closing in respect to obligations performed, satisfied or discharged by Seller prior to the Initial Closing under any Assumed Contracts or Transferred Permits, Purchaser shall reimburse to Seller, within [***] following Purchaser's receipt thereof, an amount corresponding to the amount of such payment, refund, reimbursement or rebate.

Section 6.8 [Reserved].

Section 6.9 Covenants with respect to Licensed Technology.

(a) [***]

(b) Seller and Purchaser each acknowledges and agrees that the remedy at law for any breach under this Section 6.9 would be inadequate and that, in addition to and not in the alternative to any other remedies available, Purchaser and Seller shall be entitled to specific performance, injunctive relief or other equitable remedies in the event of any such breach or threatened breach by Seller or Purchaser, respectively, of any such covenants, without having to post bond, together with an award of its reasonable attorneys' fees incurred in enforcing its rights hereunder.

Section 6.10 Further Assurances; Governmental Review. Subject to the terms and conditions of this Agreement, each of the Parties hereto shall cooperate with the other Parties hereto and use (and shall cause their respective Affiliates to use) their respective reasonable best efforts to promptly (a) take, or cause to be taken, all actions, and do, or cause to be done, all things necessary, proper or advisable to cause the conditions to Initial Closing set forth in Article VII to be satisfied as promptly as practicable and all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents under applicable Antitrust Laws and (b) obtain all approvals, consents, registrations, permits, authorizations and other confirmations from any Governmental Entity necessary, proper or advisable under applicable Antitrust Laws to consummate the transactions contemplated by this Agreement.

Section 6.11 Transfer of Permits. Seller shall, as soon as practicable following the Initial Closing Date (and in any case [***] following the Initial Closing Date) and solely to the extent applicable and with respect to Material Permits that are transferable, (a) update any Material Permits to the extent necessary to reflect the change of the operator of the Facility and (b) promptly notify Purchaser upon completion of the foregoing updates.

Section 6.12 Employee Matters.

(a) On the date hereof, Purchaser shall (or shall cause its Affiliate to) offer employment (or, in the case of independent contractors who are Transferable Workers, engagement) in writing to each of the Transferable Workers who remain employed or engaged by Seller as of such date, to commence employment or service upon a date after Initial Closing mutually agreed upon by the Parties and as specified in each respective offer (each date as applicable, a "Start Date").

(b) On the date hereof, Purchaser shall (or shall cause its Affiliate to) offer employment (or, in the case of independent contractors who are [***], engagement) in writing to each of the [***] who remain employed or engaged by Seller as of such date (each such [***] together with each such Transferable Worker who is made an offer pursuant to Section 6.12(a), an "Offered Worker").

(c) Each such offer shall be conditioned on such Offered Worker satisfactorily completing Purchaser's (or its relevant Affiliate's) standard hiring procedures (including, without limitation, a background check) and signing or receiving (as applicable) the New Hire Documents provided by Purchaser in connection with such offer of employment or engagement. Such offers shall require each Offered Worker to return a signed writing (such as an offer letter or contractor agreement) manifesting each such Offered Worker's assent to the offer, prior to the applicable Start Date. Each such Offered Worker who accepts his or her offer of employment or engagement as described in this Section 6.12 and who actually commences employment or engagement with Purchaser on or after the Initial Closing or on or after July 31, 2023, with respect to the Offered Workers who are Transferable Workers or [***], respectively, is referred to herein as a "Transferred Worker."

(d) Seller shall perform and discharge all of its obligations in respect of each Transferred Worker arising up to each respective Start Date. Seller shall pay, or shall cause to be paid, a lump sum payment to each applicable Transferred Worker on or around each respective Start Date, for accrued and unused vacation and/or paid time off (except where prohibited by applicable Law) to any Transferred Worker where required by and in accordance with applicable Laws. To the extent (and solely to the extent) necessary for any Transferred Worker to perform services in connection with such Transferred Worker's employment or engagement with Purchaser or its Affiliate, Seller or an Affiliate of Seller shall, and does hereby automatically, release effective as of the respective Start Date each Transferred Worker from any existing non-competition or non-solicitation, owed to Seller or any of its Affiliates.

(e) Subject to Section 10.6, the timing and content of any announcement or notification to Seller's employees with respect to the transactions contemplated by this Agreement or any compensation profiles or offers of employment or independent contractor agreements or related communications to individual employees or independent contractors of Seller shall be subject to the approval, which shall not be unreasonably withheld, of each of Purchaser and Seller. Except with respect to any announcement or notification covered by the preceding sentence, Seller shall allow Purchaser, and Purchaser shall allow Seller, reasonable time to comment (and will consider in good faith the comments of Purchaser and Seller, respectively and as applicable) prior to sending any notices or other communication materials relating to the transactions contemplated by this Agreement to Transferable Workers or [***] of Seller.

(f) Purchaser and Seller agree to utilize, or cause their respective Affiliates to utilize, the standard procedure set forth in Revenue Procedure 2004-53, 2004-34 I.R.B. 320 (Aug. 18, 2004) for wage reporting with respect to any Transferred Workers.

(g) At the Initial Closing, Seller will provide to Purchaser a list of the number and site of employment of any employees of Seller or its Affiliates who have experienced an employment loss

(as defined in the WARN Act) within 90 days prior to the Initial Closing and who are located at a site of employment where Transferred Workers will be located following the Initial Closing, along with the date of the employment loss or layoff.

(h) For [***] following the Initial Closing (or, if later, the Start Date of the relevant Transferred Worker), Purchaser shall provide to each Transferred Worker (i) a base salary or wage rate and target cash incentive opportunity that, in each case, is no less favorable in the aggregate than those provided to such Transferred Worker by Seller as of immediately prior to the applicable Start Date, and (ii) employee benefits that are no less favorable in the aggregate than the better of those provided to (A) such Transferred Worker immediately prior to the applicable Start Date and (B) similarly-situated employees of Purchaser. Additionally, Purchaser shall provide each Transferred Workers with a target cash incentive opportunity for calendar year 2023 based on the target amounts and base salary for each Transferred Worker as is set forth on Schedule 6.12(h). [***]. In addition, subject to the continued service of the applicable Transferred Worker through the date of grant, Purchaser shall promptly, and in any event within six (6) months following the Initial Closing, grant to the Transferred Workers the equity awards that are substantially similar in the aggregate to those that such Transferred Workers enjoyed immediately prior to the Initial Closing and shall send to Seller an officer's certificate setting forth such grants and certifying compliance with this covenant. For purposes of determining eligibility to participate and entitlement to benefits where length of service is relevant under any Purchaser compensation or benefit plan, program or arrangement (a "Purchaser Plan") and to the extent permitted by applicable Law, Purchaser shall provide the Transferred Workers with service credit under each Purchaser Plan for their period of service with Seller prior to the applicable Start Date, except that the foregoing shall not apply to the extent such credit would result in a duplication of benefits for the same period of service. To the extent permitted by a Purchaser Plan: (x) each Transferred Worker shall be eligible to participate in any and all Purchaser Plans to the extent that coverage under such Purchaser Plans replaces coverage under comparable Employee Plans in which such Transferred Worker participated immediately prior to the applicable Start Date; and (y) for purposes of each Purchaser Plan providing medical, dental, pharmaceutical or vision benefits to any Transferred Worker, Purchaser shall use commercially reasonable efforts to (A) cause all pre-existing condition exclusions of such Purchaser Plan to be waived for such Transferred Worker (and his or her covered dependents), to the extent such conditions or requirements have been satisfied by the Transferred Worker (and his or her covered dependents) under the equivalent Employee Plan prior to the applicable Start Date; and (B) provide each Transferred Worker (and his or her covered dependents) with credit under the applicable Purchaser Plan for any co-payments and deductibles paid by the Transferred Worker (or his or her covered dependents) for purposes of satisfying any applicable deductible or out-of-pocket requirements under such Purchaser Plan.

(i) Nothing contained in this Section 6.12, or elsewhere in this Agreement, shall confer upon any Facility Worker, employee or other service provider to Seller or its Affiliates or any legal representative or beneficiary of any such Person, any rights or remedies of any nature or kind whatsoever under or by reason of this Agreement, including any right to employment or continued employment for any specified period, or level of compensation or benefits, nor shall anything in this Agreement constitute the establishment, adoption, modification, amendment or termination of any Employee Plan or any other employee benefit plan, program, policy, arrangement or agreement maintained by Purchaser, Seller or their respective Affiliates.

(j) Purchaser shall enter into an agreement with a replacement payroll provider for the facilitation of payment services of any compensation owed to the Transferred Workers, such services shall be effective as of the Initial Closing Date (the "Payroll Agreement").

ARTICLE VII

CONDITIONS TO CLOSING

Section 7.1 Conditions to the Initial Closing Obligations of Purchaser and Seller. The respective obligations of each of the Parties to consummate the transactions contemplated by this Agreement as occurring at the Initial Closing shall be subject to the satisfaction of the following conditions precedent:

(a) there shall not (i) be in effect any applicable Law that makes illegal or enjoins or prevents in any respect the consummation of the transactions contemplated by this Agreement as occurring at the Initial Closing or (ii) have been commenced and be continuing any Action or proceeding by any Governmental Entity of competent jurisdiction that seeks to make illegal, enjoin or prevent in any respect the transactions contemplated by this Agreement as occurring at the Initial Closing; and

(b) the Landlord Consent to Sublease Agreement shall have been duly executed and delivered by Purchaser, Seller and the Landlord.

Section 7.2 Conditions to the Initial Closing Obligations of Purchaser. The obligation of Purchaser to consummate the transactions contemplated by this Agreement as occurring at the Initial Closing shall be subject to the satisfaction of the following additional conditions precedent, any of which may be waived in writing exclusively by Purchaser:

(a) Seller shall have performed or complied with or caused to be performed or complied with, in all respects, all material obligations and covenants required by this Agreement to be performed or complied with by Seller at or prior to the Initial Closing;

(b) the representations and warranties of Seller in this Agreement shall be true and correct in all respects as duly qualified (in the case of any representation or warranty of Seller qualified by materiality or Seller Material Adverse Effect) or in all material respects (in the case of any representation or warranty of Seller not qualified by materiality or Seller Material Adverse Effect) as of the date hereof and as of the Initial Closing Date, as if made as of the Initial Closing Date (except for those representations and warranties that address matters as of a particular date, which shall be true in all material respects only as of such date); provided, that the Fundamental Reps made by Seller shall be true and correct in all respects as set forth herein as of the date hereof and as of the Initial Closing Date, as though made on and as of the Initial Closing Date;

(c) Purchaser shall have received a certificate of Seller, dated the Initial Closing Date and signed by an officer of Seller, certifying as to the fulfillment of the conditions set forth in Section 7.2(a) and Section 7.2(b);

(d) Seller shall have made, or caused to be made, delivery to Purchaser of all other instruments and documents set forth in Section 3.3;

(e) from the date hereof through the Initial Closing Date, no Seller Material Adverse Effect shall have occurred; and

(f) Purchaser shall have received evidence in form and substance reasonably satisfactory to Purchaser that all Encumbrances other than Permitted Encumbrances on the Purchased Assets have been fully satisfied and released in connection with the Initial Closing.

Section 7.3 Conditions to the Initial Closing Obligations of Seller. The obligation of Seller to consummate the transactions contemplated by this Agreement as occurring at the Initial Closing shall be subject to the satisfaction of the following additional conditions precedent, any of which may be waived in writing exclusively by Seller:

(a) Purchaser shall have performed or complied with or caused to be performed or complied with, in all respects, all material obligations and covenants required by this Agreement to be performed or complied with by it at or prior to the Initial Closing;

(b) the representations and warranties of Purchaser in this Agreement shall be true and correct in all respects as duly qualified (in the case of any representation or warranty of Purchaser qualified by materiality) or in all material respects (in the case of any representation or warranty of Purchaser not qualified by materiality) as of the date hereof and as of the Initial Closing Date, as if made as of the Initial Closing Date (except for those representations and warranties that address matters as of a particular date, which shall be true in all material respects only as of such date); provided, that the

Fundamental Reps made by Purchaser shall be true and correct in all respects as set forth herein as of the date hereof and as of the Initial Closing Date, as though made on and as of the Initial Closing Date;

(c) Seller shall have received a certificate from Purchaser, dated the Initial Closing Date and signed by an officer of Purchaser, certifying as to the fulfillment of the conditions set forth in Section 7.3(a) and Section 7.3(b);

(d) Purchaser has obtained the Payroll Agreement that shall be in full force and effect as of the Initial Closing; and

(e) Purchaser shall have made, or caused to be made, delivery to Seller of all other instruments and documents set forth in Section 3.4.

Section 7.4 Conditions to the Lease Assignment Closing Obligations of Purchaser and Seller. The respective obligations of each of the Parties to consummate the transactions contemplated by this Agreement as occurring at the Lease Assignment Closing shall be subject to the satisfaction of the following conditions precedent:

(a) there shall not (i) be in effect any applicable Law that makes illegal or enjoins or prevents in any respect the consummation of the transactions contemplated by this Agreement as occurring at the Lease Assignment Closing or (ii) have been commenced and be continuing any Action or proceeding by any Governmental Entity of competent jurisdiction that seeks to make illegal, enjoin or prevent in any respect the transactions contemplated by this Agreement as occurring at the Lease Assignment Closing; and

(b) the Landlord Consent to Assignment and the Lease Assignment Agreement shall have been duly executed and delivered by each of Purchaser, Seller and the Landlord (as applicable).

Section 7.5 Conditions to the Lease Assignment Closing Obligations of Purchaser. The obligation of Purchaser to consummate the transactions contemplated by this Agreement as occurring at the Lease Assignment Closing shall be subject to the satisfaction of the following condition precedent, which may be waived in writing exclusively by Purchaser:

(a) Seller shall have performed or complied with or caused to be performed or complied with, in all respects, all material obligations and covenants required by this Agreement to be performed or complied with by Seller at or prior to the Lease Assignment Closing.

Section 7.6 Conditions to the Lease Assignment Closing Obligations of Seller. The obligation of Seller to consummate the transactions contemplated by this Agreement as occurring at the Lease Assignment Closing shall be subject to the satisfaction of the following precedent, any of which may be waived in writing exclusively by Seller:

(a) Purchaser shall have performed or complied with or caused to be performed or complied with, in all respects, all material obligations and covenants required by this Agreement to be performed or complied with by it at or prior to the Lease Assignment Closing.

ARTICLE VIII

TERMINATION

Section 8.1 Termination. This Agreement may be terminated at any time prior to the Initial Closing:

(a) by written agreement of Purchaser and Seller;

(b) by either Party, provided such Party is not then in breach of any of its respective obligations hereunder, by giving written notice of such termination to the other Party if: (i) there has been

a material misrepresentation or material breach by the other Party of a representation or warranty contained herein, such that the conditions in Section 7.2(b) or Section 7.3(b), as applicable, will not be satisfied, and such material misrepresentation or material breach is incapable of being cured or is not cured [***] after written notice thereof from such Party detailing the nature of such misrepresentation or breach or (ii) the other Party has committed a material breach of any covenant imposed upon it hereunder, such that the conditions in Section 7.2(a) or Section 7.3(a), as applicable, will not be satisfied, and fails to cure such breach [***] after written notice thereof from such Party detailing the nature of such breach or such breach is incapable of being cured; provided, however, that the cure periods described above shall not apply to a breach of either Party's obligation to effect the Initial Closing in accordance with Article III; and

(c) by either Purchaser or Seller by giving written notice of such termination to the other Party, if any Governmental Entity of competent jurisdiction shall have issued an Order or taken any other Action permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such Order or other Action shall have become final and non-appealable; provided, that no Party may rely upon this Section 8.1(c) to terminate this Agreement if such Party shall have failed to use its reasonable best efforts to prevent the entry of such Order or the taking of such other Action.

Section 8.2 Effect of Termination.

(a) Any termination of this Agreement under Article VIII shall be effective immediately upon delivery of written notice of such termination by the terminating Party to the other Party (unless such other time is specified in Article VIII). In the event of the termination of this Agreement in accordance with Article VIII, this Agreement shall thereafter become void and have no force or effect, and no Party shall have any Liability to the other Party or to such other Party's Affiliates, or its Representatives, except for the obligations of the Parties contained in this Section 8.2 and in Section 6.3(b) (*Information and Documents*), Section 10.1 (*Notices*), Section 10.4 (*Entire Agreement*), Section 10.5 (*No Third-Party Beneficiaries*), Section 10.6 (*Public Disclosure*), Section 10.7(a) (*Confidentiality*), Section 10.8 (*Expenses*) and Section 10.9 (*Governing Law; Dispute Resolution*) and Article IX (*Indemnification*), and except that nothing herein shall relieve any Party from liability for any intentional breach of any covenant set forth in this Agreement prior to such termination or for Fraud.

(b) In the event this Agreement shall be terminated and at such time a Party is in material breach of or default under any term or provision hereof, such termination shall be without prejudice to, and shall not affect, any and all rights to damages that any other Party may have hereunder.

Section 8.3 Termination of Ancillary Agreements.

(a) In the event that Purchaser fails to make any payment of Deferred Consideration to Seller when such payment becomes due and payable on the date that occurs on the later of (x) the [***] of the execution of the License Agreement by Seller and Purchaser and (y) the applicable payment date set forth in Section 2.6(c) (or the next succeeding Business Day, in each case ((x) and (y)), if such date is not a Business Day), Seller shall have the right, but not the obligation, to terminate each of the Services Agreement and the Option Agreement.

(b) In the event that (i) Seller has referred to arbitration any alleged failure by TopCo to make any payment of the Economic Share Payment (as defined in the Seller Economic Share Agreement) to Seller pursuant to the terms and conditions of the Seller Economic Share Agreement, (ii) the arbitral tribunal has issued a final award confirming such failure, and (iii) TopCo has failed to cure such failure in accordance with the final award within [***] of the final award, Seller shall have the right, but not the obligation, to terminate the License Agreement and the Sub-License Agreement.

(c) In the event that (a) an Action has been initiated in respect of any alleged material breach of the License Agreement or the Sub-License Agreement by Seller that could result in the termination of the License Agreement or the Sub-License Agreement (as applicable) pursuant to the terms and conditions of the License Agreement or the Sub-License Agreement (as applicable), (b) a final ruling pursuant to the dispute resolution provisions of the License Agreement or the Sub-License Agreement (as applicable) has confirmed such breach, and (c) Seller has failed to cure such breach in accordance with

the final ruling within [***] of the final ruling, each of TopCo and Purchaser shall have the right, but not the obligation, to terminate the Seller Economic Share Agreement.

ARTICLE IX

INDEMNIFICATION

Section 9.1 Survival. All of the representations and warranties of the Parties contained in this Agreement shall be extinguished and be of no further force and effect on the date that is [***] following the Initial Closing Date; provided, that all of the Fundamental Reps shall remain in full force and effect and shall survive until the earlier of (a) [***] days following the expiration of the applicable statute of limitations (taking into account all waivers and extensions thereof) and (b) the [***] anniversary of the Initial Closing Date. All of the covenants and agreements contained in this Agreement that by their nature are required to be performed after the Initial Closing shall survive the Initial Closing until fully performed or fulfilled. The date of expiration of a claim for indemnification under this Agreement is referred to herein as such claim's "Expiration Date."

Section 9.2 Indemnification by Seller. Subject to the provisions of this Article IX, Seller agrees to defend, indemnify and hold harmless Purchaser and its Affiliates and, if applicable, their respective directors, officers, agents, employees, successors and assigns (a "Purchaser Indemnified Party"), from and against any and all fees, Actions, judgments, Taxes, awards and Liabilities, including reasonable out-of-pocket documented attorneys' fees (collectively, the "Losses") to the extent arising from or relating to:

(a) any breach of any representation or warranty made by Seller in this Agreement;

(b) any failure of Seller to perform any of its covenants or agreements contained in this Agreement; or

(c) any Excluded Asset or Excluded Liability.

Section 9.3 Indemnification by Purchaser. Subject to the provisions of this Article IX, Purchaser agrees to defend, indemnify and hold harmless Seller and its Affiliates and, if applicable, their respective directors, officers, agents, employees, successors and assigns (a "Seller Indemnified Party"), from and against any and all Losses to the extent arising from or relating to:

(a) any breach of any representation or warranty made by Purchaser in this Agreement or the Asset Assignment Agreement;

(b) any failure of each of Purchaser or TopCo to perform any of its covenants or agreements contained in this Agreement or the Asset Assignment Agreement; or

(c) any Assumed Liability.

Section 9.4 Certain Limitations.

(a) No claim for Losses shall be made under Section 9.2(a) or under Section 9.3(a) unless the aggregate amount of Losses exceeds [***] for which claims are made hereunder by the Indemnified Party (the "Basket"), in which case the Indemnified Party shall be entitled to seek compensation for Losses in excess of the Basket, but only up to a maximum aggregate amount of [***] (the "Indemnification Cap"); provided, however, that the foregoing Basket and Indemnification Cap shall not apply to Losses resulting from (i) Seller's Fraud or (ii) any breach of any Fundamental Rep made by Seller; provided, further, that aggregate indemnification obligations of the Indemnified Party for all Losses resulting from any breach of any Fundamental Rep shall not exceed an amount equal to [***] (the "[***]"). Notwithstanding anything to the foregoing, with respect to any claim as to which the Indemnified Party may be entitled to indemnification under Section 9.2(a) or under Section 9.3(a), (x) no Party shall be liable for any Loss resulting from or relating to any inaccuracy in or breach of any

representation or warranty if the Party seeking indemnification for such Loss had knowledge of such breach or the underlying facts of such breach before the Initial Closing and (y) the Indemnifying Party shall not be liable for any individual or series of related Losses which do not exceed [***] (the "De Minimis Amount") (which Losses shall not be counted toward the Basket); provided, however, that such de minimis limitation shall not apply with respect to Fraud. The aggregate indemnification obligations of the Indemnified Party for claims made under Section 9.2(b) or Section 9.3(b) shall not exceed the [***] . For the avoidance of doubt, none of the Basket, Indemnification Cap, [***] or De Minimis Amount limitations shall apply with respect to any Losses under Section 9.2(c) or Section 9.3(d).

(b) The amount of any Loss for which indemnification is provided under Section 9.2 or Section 9.3 shall be net of (i) any amounts actually received by the Indemnified Party pursuant to any indemnification by or indemnification agreement with any third party in respect of such Loss and (ii) any insurance proceeds actually received in respect of such Loss as an offset against such Loss. If the amount to be netted hereunder from any payment required under Section 9.2 or Section 9.3 is determined after payment by the Indemnifying Party of any amount otherwise required to be paid to an Indemnified Party pursuant to this Article IX, the Indemnified Party shall repay to the Indemnifying Party, promptly after such determination, any amount that the Indemnifying Party would not have had to pay pursuant to this Article IX had such determination been made at the time of such payment.

(c) Indemnified Party shall take, and shall cause its Affiliates to take, all reasonable steps to mitigate Losses, including incurring costs only to the minimum extent necessary to remedy the breach.

(d) All payments made pursuant to this Article IX shall be treated for Tax purposes as an adjustment to the purchase price, unless otherwise required by applicable Law.

Section 9.5 Indemnification Claims.

(a) To cover Losses under the indemnification obligations of Seller under Section 9.2 and of Purchaser under Section 9.3, any of the Persons seeking to be indemnified under this Article IX (the "Indemnified Party") must deliver to the Party from whom indemnification is sought (the "Indemnifying Party") on or before the applicable Expiration Date a certificate signed by an officer of the Indemnified Party (an "Indemnification Notice") stating the basis of a claim pursuant to this Article IX, and specifying in reasonable detail the individual items of such Losses included in the amount so stated, the amount or estimated amount thereof (if known or reasonably capable of estimation), the method of calculation for such Losses, and the nature of the misrepresentation, breach of warranty, covenant or claim to which such item is related.

(b) The Indemnifying Party shall have a period of [***] from and after delivery of any Indemnification Notice to deliver to the Indemnified Party a response, in which the Indemnifying Party shall: (i) agree that the Indemnified Party is entitled to receive all of the requested Losses, or (ii) dispute that the Indemnified Party is entitled to receive the requested Losses.

(c) If the Indemnifying Party does not deliver a response before the expiration of the [***] period referred to in Section 9.5(b) disputing any claim or claims made in the Indemnification Notice, the Indemnified Party shall, subject to the provisions of this Article IX, be entitled to recover such Losses.

(d) If the Indemnifying Party disputes any claim or claims made in any Indemnification Notice, the Indemnified Party shall [***] to respond in a written statement to the objection of the Indemnifying Party. If after such [***] period there remains a dispute as to any claims, the Parties shall attempt in good faith for [***] to agree upon the rights of the Parties with respect to each of such claims (the "Claim Period").

(e) If no agreement can be reached after good faith negotiation between the Parties during the Claims Period pursuant to Section 9.5(d), either Party may initiate formal legal action with the applicable court in accordance with Section 10.9 to resolve such dispute. The decision of the court as to

the validity and amount of any claim in such Indemnification Notice shall be binding and conclusive upon the Parties.

Section 9.6 Third-Party Claims.

(a) If any claim, Action, suit or proceeding (in equity or at law) is instituted by a third party with respect to which the Indemnified Party intends to claim any Loss under this Article IX, the Indemnified Party shall promptly notify (the "Third-Party Claim Notice") the Indemnifying Party of such claim, Action, suit or proceeding. A failure by the Indemnified Party to give notice of any claim, Action, suit or proceeding in a timely manner pursuant to this Section 9.4(d) shall not limit the obligation of the Indemnifying Party under this Article IX, except (a) to the extent such Indemnifying Party is actually prejudiced thereby or (b) as provided in Section 9.1.

(b) The Indemnifying Party under this Article IX shall have the right, but not the obligation, exercisable by written notice to the Indemnified Party within [***] of receipt of a Third-Party Claim Notice from the Indemnified Party with respect thereto, to assume the conduct and control, at the expense of the Indemnifying Party and through counsel of its choosing that is reasonably acceptable to the Indemnified Party, any third-party claim, Action, suit or proceeding (a "Third-Party Claim"), except as provided in this Section 9.6(b) and the Indemnifying Party may compromise or settle the same; provided, that the Indemnifying Party shall give the Indemnified Party advance written notice of any proposed compromise or settlement and shall not, without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, conditioned or delayed), consent to or enter into any compromise or settlement that commits the Indemnified Party, to take, or to forbear to take, any action or does not provide for a full and complete written release by the applicable third party of the Indemnified Party. No Indemnified Party may compromise or settle any Third-Party Claim for which it is seeking indemnification hereunder without the consent of the Indemnifying Party (which consent shall not be unreasonably withheld, conditioned or delayed). No Indemnifying Party may consent to the entry of any judgment that does not relate solely to monetary damages arising from any such Third-Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, conditioned or delayed). The Indemnifying Party shall permit the Indemnified Party to participate in, but not control, the defense of any such Third-Party Claim through counsel chosen by the Indemnified Party; provided, that the fees and expenses of such counsel shall be borne by the Indemnified Party. If the Indemnifying Party elects not to control or conduct the defense of a Third-Party Claim, the Indemnifying Party nevertheless shall have the right to participate in the defense of any Third-Party Claim and, at its own expense, to employ counsel of its own choosing for such purpose.

(c) The Parties shall cooperate in the defense of any Third-Party Claim, with such cooperation to include (i) the retention and the provision to the Indemnifying Party of records and information that are reasonably relevant to such Third-Party Claim and (ii) reasonable access to employees on a mutually convenient basis for providing additional information and explanation of any material provided hereunder.

Section 9.7 Sole Remedy. Except as expressly provided otherwise in this Agreement and the Ancillary Agreements, each Party acknowledges and agrees that the remedies provided for in this Article IX shall be its sole and exclusive remedy with respect to the subject matter of this Agreement. In furtherance of the foregoing, each of the Parties hereby waives, to the fullest extent permitted by applicable Law, any and all other rights, claims and causes of action (including rights of contributions, if any) known or unknown, foreseen or unforeseen, which exist or may arise in the future, that it may have against Seller or any of its Affiliates, or Purchaser or any of its Affiliates, as the case may be, arising under or based upon any applicable Law and related to the subject matter of this Agreement, except that nothing herein shall limit the liability of either Party for Fraud. Each Party agrees that the previous sentence shall not limit or otherwise affect any (i) non-monetary right or remedy which either Party may have under this Agreement or any of the Ancillary Agreements or otherwise limit or affect either Party's right to seek equitable relief, including the remedy of specific performance or (ii) any and all remedies available to a Party at law or equity in the case of any fraudulent conduct or willful misrepresentation by Seller or any of its Affiliates or Representatives.

Section 9.8 Indemnity Payments.

(a) Any and all amounts payable by Seller in its capacity as an Indemnifying Party to a Purchaser Indemnified Party shall first be satisfied by setting off and applying any and all amounts finally determined as payable by the Seller in its capacity as an Indemnifying Party against any remaining amount of Deferred Consideration that has not been paid and then by payment in cash by wire transfer of immediately available funds to the accounts specified in writing by the Purchaser Indemnified Party.

(b) Any and all amounts payable by Purchaser in its capacity as an Indemnifying Party to a Seller Indemnified Party shall be paid promptly in cash by wire transfer of immediately available funds to the accounts specified in writing by the Seller Indemnified Party.

(c) With respect to any claim brought by an Indemnified Party under this Agreement, each of the Parties expressly waives any right of subrogation, contribution, advancement, indemnification or other claim against the other Party with respect to any amounts owed by such other Party pursuant to this Article IX.

Section 9.9 EXCEPTIONS. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO PARTY TO THIS AGREEMENT SHALL BE LIABLE TO OR OTHERWISE RESPONSIBLE TO THE OTHER PARTY OR ANY AFFILIATE OF THE OTHER PARTY FOR [***] THAT ARISE OUT OF OR RELATE TO THIS AGREEMENT; PROVIDED, THAT THIS SECTION 9.9 SHALL NOT SERVE AS A LIMITATION ON ANY INDEMNIFYING PARTY'S INDEMNIFICATION OBLIGATIONS FOR ANY LOSSES ACTUALLY PAID TO A THIRD PARTY THAT SUCH INDEMNIFYING PARTY WOULD OTHERWISE BE LIABLE FOR HEREUNDER.

ARTICLE X

MISCELLANEOUS

Section 10.1 Notices. All notices or other communications hereunder shall be deemed to have been duly given and made if in writing and if served by personal delivery upon the party for whom it is intended, delivered by registered or certified mail, return receipt requested, or by a national overnight courier service, or sent by email to the Person at the address or email address set forth below, or such other address as may be designated in writing hereafter, in the same manner, by such Person:

(a) If to Seller, to:

Senti Biosciences, Inc.
2 Corporate Drive, First Floor
South San Francisco, CA 94080
Email: Tim Lu
Attention: [***]

with a copy to:

Cooley LLP
Suite 700, 1299 Pennsylvania Avenue, NW,
Washington, DC 20004-2400
Email: Maureen Nagle; Rena Kaminsky
Attention: [***]

(b) If to Purchaser, to:

GeneFab, LLC
1101 Marina Village Parkway
Suite 201, PMB 7333
Alameda CA 94501
Email: [***]
Attention: Philip Lee

with a copy to:

Morrison & Foerster LLP
33/F, Edinburgh Tower, Landmark
15 Queen's Road Central
Hong Kong
Email: [***]
Attention: Marcia Ellis

All notices and other communications under this Agreement shall be deemed to have been received (i) when delivered by hand, if personally delivered, (ii) three (3) Business Days after being delivered by registered or certified mail, return receipt requested, (iii) one (1) Business Day after being delivered to a national overnight courier service or (iv) on the date of delivery, if sent by email (provided no "bounce back" or notice of non-delivery is received).

Section 10.2 Amendment; Waiver. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed (a) in the case of an amendment, by Purchaser and Seller and (b) in the case of a waiver, by the Party against whom the waiver is to be effective. No waiver by any Party of any provision of this Agreement or any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver, nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence. No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 10.3 Binding Effect; Assignment. This Agreement and all of the provisions hereof shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. No Party to this Agreement may assign any of its rights or obligations under this Agreement, including by sale of stock, or operation of Law in connection with a merger or sale of substantially all the assets, without the prior written consent of the other Party, except that Purchaser may, without the consent of Seller, assign its rights or obligations under this Agreement, in whole or in part, to one or more of its Affiliates (provided, that Purchaser continues to guarantee any of its obligations hereunder).

Section 10.4 Entire Agreement. This Agreement, together with the Ancillary Agreements, Annexes, Exhibits and Schedules (including the Seller Disclosure Schedules), contains the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect to such matters, but excluding the Confidentiality Agreement, which shall remain in full force and effect for the term provided for therein.

Section 10.5 No Third-Party Beneficiaries. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer upon any Person other than Purchaser, Seller or their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

Section 10.6 Public Disclosure. Notwithstanding anything herein to the contrary, each Party hereby agrees with the other Party that no press release or similar public announcement or communication shall, at any time, be made by it or caused to be made by it concerning the execution or performance of this Agreement unless it shall have consulted the other Party in advance with respect thereto and such

other Party consents in writing to such release, announcement or communication; provided, however, the provisions of this Section 10.6 shall not prohibit (i) any disclosure required to comply with the requirements of any applicable Laws or the rules and regulations of each stock exchange upon which the securities of such Party are listed, if any (in which case such Party shall notify the other Party promptly and shall use commercially reasonable efforts to provide the other Party with a copy of the contemplated disclosure prior to submission or release, as the case may be) and (ii) any disclosure made in connection with the enforcement of any right or remedy relating to this Agreement or the transactions contemplated herein. Notwithstanding any other provision contained herein, Purchaser shall have a right to disclose the existence of this Agreement and a general description of the Purchased Assets, provided that such description shall not disclose the Cash Consideration or similar pricing information.

Section 10.7 Confidentiality; Equitable Relief.

(a) The Parties acknowledge that Seller and Purchaser have previously executed that certain Confidentiality Disclosure Agreement, dated January, 2023, as amended as of June 17, 2023, (as amended, restated and modified from time to time, the "Confidentiality Agreement"). After the Initial Closing, Seller shall each keep confidential, and shall use reasonable efforts to cause its Representatives to keep confidential, all Confidential Information relating to the Facility, Purchased Assets, the Assumed Liabilities, the Excluded Assets or the Excluded Liabilities, except (A) as required by Law, (B) as necessary to arbitrate, defend or prosecute any indemnification claim or any Litigation or dispute or (C) for information that is available to the public on the Initial Closing Date, or thereafter becomes available to the public other than as a result of a breach of this Section 10.7(a), or is furnished to Purchaser after the Initial Closing by a third party that, to the knowledge of Purchaser, is under no obligation of confidentiality to the other Party with respect to such information.

(b) The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement. Each Party hereby waives any requirement that the other Party post a bond or other security as a condition for obtaining any such relief. Each Party hereby waives any defenses in any action for specific performance, including the defense that a remedy at Law would be adequate.

Section 10.8 Expenses. [***]

Section 10.9 Governing Law; Dispute Resolution.

(a) Governing Law. This Agreement, including all issues and questions concerning the application, construction, validity, interpretation, and enforceability of this Agreement, shall be governed by and construed in accordance with the internal laws of the State of Delaware, without regard to its conflict of laws provisions.

(b) Dispute Resolution. Any dispute, controversy, difference, or claim arising out of, relating to, or in connection with this Agreement, including any question regarding its existence, validity, or termination, the scope or applicability of this agreement to arbitrate, or any dispute regarding non-contractual obligations arising out of or relating to it, shall be referred to and finally resolved by arbitration administered by the International Centre for Dispute Resolution ("ICDR") in accordance with its International Arbitration Rules in effect at the time of the arbitration, which rules are deemed to be incorporated by reference into this clause, except as they be modified herein. The seat, or legal place, of arbitration shall be New York, New York, United States of America. The arbitration proceedings shall be conducted in English. The arbitral tribunal shall consist of three arbitrators. The tribunal shall award to the prevailing party its costs and expenses of the arbitration, including its reasonable legal fees and other costs of legal representation, fees paid to the arbitrators, and any administrative fees paid to the ICDR, as determined by the tribunal. Judgment upon the award may be entered by any court having jurisdiction of the award or having jurisdiction over the relevant party or its assets. The parties agree that the arbitration shall be kept confidential. The existence of the arbitration, any non-public information provided in the arbitration, and any submissions, orders, or awards made in the arbitration (together, the "Arbitration Confidential Information") shall not be disclosed to any non-party except the tribunal, the ICDR, the

parties, their counsel, experts, witnesses, accountants, and auditors, potential third-party funders, and any other person necessary to the conduct of the arbitration. Notwithstanding the foregoing, a party may disclose Arbitration Confidential Information to the extent required to protect or pursue a legal right or interest of the party in legal proceedings before a court or other authority, or enforce or challenge an award in *bona fide* legal proceedings. This confidentiality provision survives termination of this Agreement and of any arbitration brought pursuant to this Agreement. Notwithstanding Section 10.9(a), the arbitration and this agreement to arbitrate shall be governed by Title 9 (Arbitration) of the United States Code.

Section 10.10 Relationship of the Parties. Nothing contained herein is intended or is to be construed so as to constitute Purchaser and Seller as partners, agents or joint venturers. Neither Party shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other Party or to bind the other Party to any contract, agreement or undertaking with any third party. The Parties (and any successor, assignee, transferee, or Affiliate of a Party) shall not treat or report the relationship between the Parties arising under this Agreement as a partnership for United States Tax purposes, without the prior written consent of the other Party unless required by a final "determination" as defined in Section 1313 of the Code.

Section 10.11 Counterparts. This Agreement may be executed in counterparts, and by the Parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by e-mail of a .pdf attachment shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.12 Headings. The heading references herein and the table of contents hereto are for convenience purposes only, do not constitute a part of this Agreement and shall not be deemed to limit or affect the meaning or interpretation any of the provisions hereof.

Section 10.13 Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any term or other provision of this Agreement, or the application thereof to any Person or any circumstance, is invalid, illegal or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity, illegality or unenforceability, nor shall such invalidity, illegality or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

Section 10.14 Acknowledgement. Each of Purchaser and TopCo agrees that it has conducted its own independent review and analysis of the business, assets (including the Purchased Assets and the Facility), liabilities (including the Assumed Liabilities), condition, and operations of Seller. In entering into this Agreement, each of Purchaser and TopCo has relied solely upon its own investigation and analysis and the representations and warranties of Seller set forth in Article IV (as modified by the Seller Disclosure Schedules) or in the certificate delivered by Seller to Purchaser and TopCo pursuant to Section 7.2(c) (the "Seller Certificate"), and each of Purchaser and TopCo acknowledges and agrees that, except for the representations and warranties of Seller expressly set forth in Article IV (as modified by Seller Disclosure Schedules) or in the Seller Certificate, neither Seller nor any of its Representatives nor any other Person acting on Seller's behalf makes or has made, and each of Purchaser and TopCo is not relying on and has not relied on, any representation or warranty of any kind, nature or description, express or implied, including any warranty of title, merchantability or fitness of any Purchased Assets for a particular purpose or with respect to the future operational performance of the Facility or Purchased Assets, or with respect to Seller, its business or the Transactions. Without limiting the generality of the foregoing, each of Purchaser and TopCo acknowledges and agrees that neither Seller nor any its Representatives or any other Person has made, and each of Purchaser and TopCo is not relying on and has not relied on, any representation or warranty with respect to (a) any projections, estimates or budgets for Seller, the Purchased Assets or the Facility, or (b) any materials, documents or information relating to Seller or its business made available to Purchaser or TopCo or any of their respective Representatives in any "data room," online data site, confidential memorandum, other offering materials or otherwise,

except, in the case of clauses (a) and (b), as specifically set forth in the representations and warranties set forth in Article IV (as modified by the Seller Disclosure Schedules) and in the Seller Certificate.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the Parties have executed or caused this Agreement to be executed as of the date first written above.

PURCHASER:

GENEFAB, LLC
By its sole member:

VALERE BIO, INC.

By:	/s/ Donald Tang
Name:	Donald Tang
Title:	President

IN WITNESS WHEREOF, the Parties have executed or caused this Agreement to be executed as of the date first written above.

SELLER:

SENTI BIOSCIENCES, INC.

By:	/s/ Tim Lu
Name:	Tim Lu, M.D., Ph.D.
Title:	Chief Executive Officer

IN WITNESS WHEREOF, the Parties have executed or caused this Agreement to be executed as of the date first written above.

TOPCO:

VALERE BIO, INC.

By:	/s/ Donald Tang
Name:	Donald Tang
Title:	President

EXHIBIT A

Services Agreement

[***]

[Signature Page to Framework Agreement]

EXHIBIT B

Asset Assignment Agreement

[***]

[Signature Page to Framework Agreement]

EXHIBIT C

Transitional Services Agreement

[***]

[Signature Page to Framework Agreement]

EXHIBIT D

Sublease Agreement

[***]

[Signature Page to Framework Agreement]

EXHIBIT E

Landlord Consent to Sublease Agreement

[***]

[Signature Page to Framework Agreement]

EXHIBIT F

Option Agreement

[***]

[Signature Page to Framework Agreement]

EXHIBIT G-1

TopCo Equity Commitment Letter

[***]

[Signature Page to Framework Agreement]

EXHIBIT G-2

Celadon Equity Commitment Letter

[***]

[Signature Page to Framework Agreement]

EXHIBIT H

Seller Economic Share Agreement

[***]

[Signature Page to Framework Agreement]

EXHIBIT I

Terms of License and Sub-License

[***]

[Signature Page to Framework Agreement]

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 "[***]".

SELLER ECONOMIC SHARE AGREEMENT

This Seller Economic Share Agreement (this "Agreement") is entered into as of August 7, 2023, by and among Senti Biosciences, Inc., a Delaware corporation ("Senti"), Valere Bio, Inc., a Delaware corporation ("TopCo"), and GeneFab, LLC, a Delaware limited liability company and a wholly-owned subsidiary of TopCo ("Purchaser," and, together with Senti and TopCo, the "Parties"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Framework Agreement (as defined below).

RECITALS

WHEREAS, pursuant to that certain Framework Agreement, dated as of August 7, 2023 (as may be amended or otherwise modified from time to time, the "Framework Agreement"), by and among Senti, Purchaser, and TopCo, amongst other things, Senti shall sell, assign and transfer to Purchaser certain assets of the Senti and Purchaser shall purchase and assume certain obligations and liabilities of Senti upon the terms and subject to the conditions set forth in the Framework Agreement.

WHEREAS, as of Initial Closing, TopCo holds [***] units of Purchaser.

WHEREAS, the Parties have agreed, amongst other things, that in consideration of the Transactions contemplated by the Framework Agreement, in respect of any payments of cash actually received by TopCo as a result of any Purchaser Dividend (as defined below) or a Purchaser Sale Event (as defined below) that are attributable to the Initial TopCo Interest (as defined below), TopCo shall pay to Senti from time to time an amount equal to ten percent (10%) of the Realized Gains (as defined below) resulting from such payments (if any), *less* [***] (the "Economic Share Payment"), in accordance with and subject to the terms and conditions of this Agreement (the "Senti Economic Share").

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and the Framework Agreement and for the other good and valuable consideration set forth herein and therein, the receipt and sufficiency of which are hereby mutually acknowledged by the Parties, the Parties hereby agree as follows:

1. Definitions. For the purposes of this Agreement:

(a) "Cash Distribution" means any payments of cash actually directly or indirectly received by TopCo as a result of any Purchaser Dividend or a Purchaser Sale Event. For the avoidance of doubt and notwithstanding the foregoing, the Prepayment and the Blue Rock Prepayment, each as defined in the Services Agreement, shall be deemed as Cash Distribution for the purposes of this Agreement.

(b) "Fees and Expenses" means: (i) with respect to any Cash Distribution, any taxes, or duties incurred by Purchaser and required to be paid or withheld by TopCo attributable to such cash; and (ii) with respect to any In-Kind Distribution, any taxes or duties incurred by Purchaser and required to be paid or withheld by TopCo attributable to such securities or non-cash distributions, including without limitation any stamp duty or tax payable with respect to the sale, transfer or other disposition of such securities or other non-cash distributions and any other reasonable third party fees or expenses (including reasonable out of pocket documented legal fees) paid, payable by TopCo in connection with the sale, transfer or other disposition of such securities or other non-cash distributions (for purposes hereof, Celadon and its Affiliates shall not be third parties).

(c) "In-Kind Distribution" means any securities or any other non-cash distributions actually directly or indirectly received by TopCo as a result of any Purchaser Dividend or a Purchaser Sale Event.

(d) "Initial TopCo Interest" means, as determined from time to time, the aggregate of [***].

(e) "Investment Amount" means, as determined from time to time, an amount equal to [***].

(f) "Purchaser Dividend" means any dividend, payment or other distribution made, distributed or paid by Purchaser to TopCo, including any such dividend, payment or distribution in respect of any redemption of Initial TopCo Interest, and excluding any such dividend, payment or distribution in respect of a Purchaser Sale Event. For the avoidance of doubt, the Prepayment and the Blue Rock Prepayment, each as defined in the Services Agreement and due and payable from Senti to Purchaser on the Initial Closing Date pursuant to the Services Agreement, shall be deemed as Purchaser Dividend for the purposes of this Agreement.

(g) "Purchaser Sale Event" means, with respect to Purchaser (or any of its successors or assigns), the occurrence of any of the following (whether in a single transaction or a series of related transactions): (i) a sale, transfer, conveyance or other disposition of all or substantially all of the assets of Purchaser and (ii) any merger, consolidation, business combination or other transaction involving the sale or disposition of over fifty percent (50%) of the equity interests of Purchaser; provided that, notwithstanding anything to the contrary in this definition, a "Purchaser Sale Event" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of related transactions immediately following which the record holders of the equity interests of Purchaser immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in, and voting control over, and own substantially all of the equity interests of, an entity which owns, directly or indirectly, all or substantially all of the assets or equity interests of Purchaser immediately following such transaction or series of transactions; provided, however, that "Purchaser Sale Event" shall not include any consolidation, merger, reorganization or a similar event by Purchaser (or any of its holding companies) and any Affiliate of [***]; whereby, immediately after any such consolidation, merger, reorganization or similar event, [***] (and/or its Affiliates collectively) is the single largest equityholder of the surviving entity.

(h) "Realized Gains" with respect to any Cash Distribution and/or In-Kind Distribution shall be calculated based on the following formula:

[***]

[***]:

[***]

[***]

[***]

[***]

(i) "Valuation Expert" means an independent nationally recognized third party valuation firm with appropriate experience in valuing the applicable asset appointed by TopCo's board of directors; provided, that any valuation report and supporting documents shall be provided to Senti prior to any Cash Distribution or In-Kind Distribution and upon the delivery of such valuation report Senti shall have fifteen (15) Business Days to object to such report, any dispute with respect to such valuation report which cannot be mutually resolved by the parties hereto within thirty (30) days after the delivery of such objection shall be resolved in accordance with Section 6.

2. Economic Entitlements.

(a) Subject to the terms and conditions of this Agreement and in consideration of the Transactions contemplated by the Framework Agreement, TopCo hereby grants to Senti and Senti hereby acquires from TopCo the right to receive the Economic Share Payment pursuant to Section 3, effective as of the Initial Closing. Schedule 1 attached hereto contains illustrative calculations of the Senti Economic Share.

(b) It is understood and agreed that this Senti Economic Share (i) shall constitute a relationship between TopCo as debtor, and Senti as creditor with the right of Senti to receive the Economic Share Payment pursuant to Section 3 from TopCo; and (ii) shall not constitute (x) a sale of a true equity participation or (y) a transfer of any rights or obligations relating to the Initial TopCo Interest and Senti shall have no proprietary interest of any kind in the Initial TopCo Interest, whether by way of beneficial ownership, referred to therein or relating thereto. TopCo shall not by virtue of the provisions of this Agreement be deemed to be, or otherwise become, an agent, nominee, trustee or fiduciary for Senti in respect of the Initial TopCo Interest.

3. Payments.

(a) Upon the receipt of any Cash Distribution, then TopCo shall, within ten (10) Business Days after receiving such Cash Distribution, pay to Senti an amount in cash equal to ten percent (10%) of the Realized Gains resulting from the amount of such Cash Distribution, if any, *less* [***], in accordance with the wire instructions provided by Senti, which must be with respect to a bank account opened in the name of Senti and must be provided at least five (5) Business Days prior to the date of wiring.

(b) Upon the receipt of any In-Kind Distribution, then TopCo shall:

(i) [***]

(ii) [***]

[***]

(c) Within five (5) Business Days prior to making any payment or transfer to Senti pursuant to this Section 3, TopCo shall provide a written statement to Senti that sets forth the calculation of such forthcoming payment or transfer (the "Economic Share Statement").

(d) Any debt or equity financing of Purchaser that results in any dilution to the Senti Economic Share will be made on an arms' length basis and on reasonable commercial terms.

4. Representations and Warranties of TopCo and Purchaser. Each of TopCo and Purchaser hereby represents and warrants to Senti as follows:

(a) it is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization or incorporation and has the power and authority to carry on its present business and operations and to enter into and perform its obligations under this Agreement;

(b) this Agreement has been duly and validly authorized, executed and delivered by it and is the legal, valid and binding obligation of it and enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles;

(c) neither the execution, delivery or performance of this Agreement by it nor consummation of the transactions contemplated hereby will violate or contravene any law, rule, regulation, order, agreement, or instrument affecting it or the Initial TopCo Interest;

(d) Purchaser has provided to Senti true and correct copies of the organizational documents of Purchaser and TopCo; and

(e) No Actions are pending against it or to the best of its knowledge, threatened against it before any governmental authority that will materially and adversely affect (i) the Initial TopCo Interest or the obligations assumed hereunder, or (ii) any action taken or to be taken by it under this Agreement.

5. Representations and Warranties of Senti. Senti hereby represents and warrants to each of TopCo and Purchaser as follows:

(a) Senti is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization or incorporation and has the power and authority to carry on its present business and operations and to enter into and perform its obligations under this Agreement;

(b) this Agreement and the other documents to which it is a party in connection herewith have been duly authorized, executed and delivered by Senti and constitutes a legal, valid and binding obligation of Senti enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, receivership, moratorium and other similar laws affecting the rights of creditors generally and general principles of equity, whether considered at an Action at law or in equity;

(c) any interest obtained by Senti hereunder is and shall be acquired by it for investment and not with a view to resale or distribution, provided that the disposition of its property shall at all times be and remain within its control; and

(d) neither the execution and delivery by Senti of this Agreement nor the consummation by Senti of any of the transactions contemplated hereby violates any provision of any law, rule, regulation, organizational document or material agreement binding on Senti or creates a relationship which would be in violation thereof or requires registration under securities laws applicable to TopCo, Purchaser and/or Senti.

6. Dispute Resolution. The Parties agree that any dispute, controversy, difference, or claim arising out of, relating to, or in connection with this Agreement (including, without limitation, any Economic Share Statement provided by TopCo to Senti pursuant to Section 3(c)), including any question regarding its existence, validity, or termination or any dispute regarding non-contractual obligations arising out of or relating to this Agreement, shall be resolved in accordance with Section 10.9 of the Framework Agreement, which is hereby incorporated by reference and shall apply *mutatis mutandis* as if set forth herein.

7. Covenants.

(a) Purchaser and TopCo shall not, and shall cause their respective Representatives and Affiliates not to, directly or indirectly, (i) take any action, shall refrain from taking any action with the primary purpose, in each case, of reducing, preventing or otherwise impairing any amounts to be paid to Senti (or its successors and assignee) pursuant to this Agreement and Section 2.6(d) of the Framework Agreement or (ii) permit the reduction or impairment of the payment of such amounts through the deliberate inaction of Purchaser, TopCo or their Representatives with the primary purpose of reducing or impairing the payment of such amounts.

(b) Purchaser and TopCo shall not amend, revise or otherwise modify the governing or organizational documents of Purchaser or TopCo with the purpose, in each case, of reducing, preventing or otherwise impairing any amounts to be paid to Senti (or its successors and assignee) pursuant to this Agreement and Section 2.6(d) of the Framework Agreement, or eliminating, reducing, or otherwise impairing the rights and interest of Senti (and its successor and assigns) in the Senti Economic Share.

(c) Purchaser and TopCo shall provide Senti with prior written notice of any consolidation, merger, reorganization or a similar event by Purchaser (or any of its holding companies) and any Affiliate of [***] whereby, immediately after any such consolidation, merger, reorganization or similar event, [***] (and/or its Affiliates collectively) is the single largest equityholder of the surviving entity and such surviving entity shall acknowledge and agree in writing to be bound the terms of this Agreement and provide a

representation that the terms of such consolidation, merger, reorganization or other similar event were made on reasonable and fair commercial terms and in the best interests of the equityholders of Purchaser and TopCo.

(d) [***]

(e) Purchaser hereby agrees and covenants to refrain from making any distribution of cash, securities or other non-cash distributions to any person other than to its direct equityholders in accordance with their equity holdings in Purchaser or to Senti in accordance with this Agreement.

8. No Partnership. Nothing contained herein is intended or is to be construed so as to constitute TopCo, Purchaser and Senti as partners, agents or joint venturers. The Parties (and any successor, assignee, transferee, or Affiliate of a Party) shall not treat or report the relationship between the Parties arising under this Agreement as a partnership for United States Tax purposes, without the prior written consent of the other Parties unless required by a final "determination" as defined in Section 1313 of the Code.

9. Termination. [***]

10. Miscellaneous.

(a) This Agreement, including all issues and questions concerning the application, construction, validity, interpretation, and enforceability of this Agreement, shall be governed by and construed in accordance with the internal laws of the State of Delaware, without regard to its conflict of laws provisions.

(b) If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement will nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties will negotiate in good faith to modify this Agreement so as to effect the original intent of the parties to the fullest extent possible.

(c) This Agreement is the complete, final, and exclusive embodiment of the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, promises, and representations by anyone, whether oral or written.

(d) This Agreement shall only be amended by a written instrument signed by each of the Parties.

(e) None of the provisions of this Agreement are intended to provide any rights or remedies, express or implied, to any Person other than the Parties and their respective permitted successors and assigns (if any).

(f) Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon the Parties and their respective successors, assigns, heirs, executors and administrators. All representations and warranties contained herein shall survive the execution and delivery of this Agreement and this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the Parties, and their respective permitted successors and assigns. No Party shall be permitted to assign any of its respective rights or delegate any of its respective obligations under this Agreement without the other Parties' prior written consent; provided that Senti shall be able to assign this Agreement to any third party acquiring all or substantial all of its assets or in connection with any merger, consolidation, reorganization, or any similar transactions of Senti (regardless of whether Senti is the surviving entity).

(g) This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, will be deemed to constitute one instrument. Any signature page hereto

delivered by facsimile machine, by e-mail (including in portable document format (pdf), as a joint photographic experts group (jpg) file, or otherwise) or other electronic (including electronic signatures complying with the U.S. federal ESIGN Act of 2000) means shall be binding to the same extent as an original signature page, with regard to any agreement subject to the terms hereof or any amendment thereto and may be used in lieu of the original signatures for all purposes. Any Party hereto that delivers such a signature page agrees to deliver promptly an original counterpart to any other Party hereto that requests it.

[Signature Page Follows]

In Witness Whereof, the undersigned has executed this Agreement as of the date first above written.

Senti:

SENTI BIOSCIENCES, INC.
a Delaware corporation

By:	/s/ Tim Lu
Name:	Tim Lu, M.D., Ph.D.
Title:	Chief Executive Officer

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first above written.

TopCo:

VALERE BIO, INC.

By:	/s/ Donald Tang
Name:	Donald Tang
Title:	President

In Witness Whereof, the undersigned has executed this Agreement as of the date first above written.

Purchaser:

GENEFAB, LLC
By its sole member:

VALERE BIO, INC.

By:	/s/ Donald Tang
Name:	Donald Tang
Title:	President

Schedule 1

[***]

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 "[***]".

DEVELOPMENT AND MANUFACTURING SERVICES AGREEMENT

THIS DEVELOPMENT AND MANUFACTURING SERVICES AGREEMENT (this "Agreement") is made as of August 7, 2023 (the "**Effective Date**") by and between GeneFab, LLC, a Delaware limited company ("**Provider**"), with offices at 1101 Marina Village Parkway, Suite 201, Alameda, CA 94502, and Senti Biosciences, Inc., a Delaware corporation ("**Senti**"), with offices at 2 Corporate Drive, First Floor, South San Francisco, CA 94080. Provider and Senti are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, Senti is a biotechnology company that leverages its proprietary gene circuit technology platform to enable the development of "smart" next-gen cell and gene therapies;

WHEREAS, Provider provides contract development and manufacturing services to the biopharmaceutical industry;

WHEREAS, on the Effective Date, the Parties are entering into a Framework Agreement (the "**Framework Agreement**"), pursuant to which Senti agreed to sublease to Provider the entirety of the premises under its lease for the Alameda Facility, and to subsequently assign the lease in accordance with the terms of the Framework Agreement, and the Parties agreed that Provider will provide contract development and manufacturing services to Senti at the Alameda Facility, as a primary preferred service provider to Senti, in accordance with the terms of this Agreement;

NOW THEREFORE, in consideration of the mutual covenants and premises contained herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS. Terms defined elsewhere in this Agreement will have the meanings set forth therein for all purposes of this Agreement unless otherwise specified to the contrary. The following terms will have the meaning set forth below in this Section 1 (Definitions), with grammatical variations having corresponding meanings:

1.1. "**Activity Addition Date**" is defined in Section 2.4.5.

1.2. "**Affiliate**" means, with respect to a Party, any Person that controls, is controlled by or is under common control with such Party during the period for which the determination of affiliation is being made; where "control" means (a) in the case of corporate entities, direct or indirect ownership of fifty percent (50%) or more of the stock or shares having the right to vote for the election of directors (or such lesser percentage that is the maximum allowed to be owned by a foreign corporation in a particular jurisdiction), and (b) in the case of non-corporate entities, the direct or indirect power to direct, or cause the direction of, the management and policies of the non-corporate entity or the power to elect or appoint at least fifty percent (50%) of the members of the governing body of such non-corporate entity.

1.3. "**Alameda Facility**" means the manufacturing facility that is leased to Senti, or to Provider upon assignment of the lease to Provider, and located at 1430 Harbor Bay Parkway, Alameda, California, as more particularly described in the Framework Agreement.

1.4. "**Ancillary Agreements**" is defined in the Framework Agreement.

1.5. "**Anti-Corruption Laws**" is defined in Section 11.9 (Anti-Corruption Laws).

1.6. "**Asserted Market Rate**" is defined in Section 2.4.4.

1.7. "**Batch**" means a quantity of Product that is intended to be of uniform character and quality, within limits specified in the relevant Purchase Order, SoW, Quality Agreement or specifications documents provided by Senti, and is produced in a single cycle of Manufacture in accordance with the applicable Batch Documentation.

1.8. "**Batch Documentation**" means the documentation generated by or on behalf of Provider for each Batch Manufactured by or on behalf of Provider. [***]

1.9. "**Batch Price**" means the Service Fees associated [***] each Batch of Product, as provided in the applicable Statement of Work and as may be adjusted from time to time in accordance with this Agreement or the applicable Statement of Work.

1.10. "**Batch Record**" means the manufacturing record for a Batch generated by or on behalf of Provider or its Affiliates concurrently with the production of a specific Batch such that successive steps in such processes are documented. The Batch Record is an accurate reproduction of the appropriate Master Batch Record and documents each significant step in the manufacturing process.

1.11. [***]

1.12. [***] is defined in Section 7.2.2 (Prepayment).

1.13. [***] is defined in Section 2.3 (Initial Statements of Work).

1.14. "**Business Day**" means any day other than a Saturday, a Sunday or a day on which banks in San Francisco, California and Hong Kong Special Administrative Region are authorized or obligated by Laws to close.

1.15. "**Cancellation Fees**" is defined in Section 5.5.1(a) (Cancellation Fees).

1.16. "**Cancellation Notice**" is defined in Section 5.5 (Cancellation of Services).

1.17. "**Certificate of Analysis**" means a document describing the specifications for the applicable Product or material, test methods applied and test results that has been quality reviewed, signed and dated by authorized representatives of the relevant quality organization.

1.18. "**Change of Control**" means, with respect to a Party, (a) a merger, reorganization, or consolidation of such Party with or into any Third Party, or any other corporate reorganization involving a Third Party, that results in those persons or entities that are stockholders of such Party immediately prior such merger, reorganization, or consolidation owning less than fifty percent (50%) of the surviving entity's voting power immediately after such merger, reorganization, or consolidation, (b) a change in the legal or beneficial ownership of fifty percent (50%) or more of the combined voting power of the outstanding securities of such Party (whether in a single transaction or series of related transactions), where immediately after giving effect to such change, the legal or beneficial owner of more than fifty percent (50%) of the voting securities of such Party is a Third Party or (c) the sale, transfer, lease, license or other disposition to a Third Party of all or substantially all of such Party's business or assets to which this Agreement relates in one or a series of related transactions.

1.19. "**Change Order**" means a written agreement, duly executed by an authorized representative of each of the Parties, modifying, reducing or expanding the Services previously authorized in a Statement of Work, as further described in Section 5.7 (Changes to Statements of Work).

1.20. "**CMC**" means chemistry, manufacturing and controls.

1.21. "**Commencement Date**" means (a) in respect of the Development Services, the date on which work is scheduled to commence under an applicable stage of work set forth in a Statement of Work; or (b) in respect of the Manufacture of Batches, the date on which Manufacturing activities are to be initiated with respect to any Batch or campaign of Batches, as stated in the relevant Statement of Work, agreed by the Parties in writing (which may be by email) or determined pursuant to Section 5. 2 (Booking).

1.22. "**Commercially Reasonable Efforts**" means those efforts typically used by a similarly situated company in the exercise of reasonable commercial judgment under the applicable circumstances, taking into account all relevant business, technical, and scientific factors.

1.23. "**Common Materials**" is defined in Section 6.3.2 (Common Materials).

1.24. "**Compliance Audit**" is defined in Section 11.6 (Compliance Audit).

1.25. "**Compliance Auditor**" is defined in Section 11.6 (Compliance Audit).

1.26. "**Components**" means any storage containers, mixing vessels, transfer tubing, formulation and packaging materials, filling components such as product containers, vials, syringes, filters, plungers, stoppers, hoses and packaging, as set forth in a Statement of Work or as otherwise approved in advance by Senti for use in the Manufacturing of a Product by or on behalf of Provider under this Agreement.

1.27. "**Confidential Information**" is defined in Section 16.1 (Scope of Confidential Information).

1.28. "**Credit**" is defined in Section 7.1 (Credit).

1.29. [***]

1.30. "**Dedicated Equipment**" means any and all equipment set forth in Exhibit E or deemed included pursuant to Section 6.4.1 (Acquisition).

1.31. "**Dedicated Materials**" is defined in Section 6.3.1 (Dedicated Materials).

1.32. "**Deliverables**" means any Product (including an Engineering Batch of Product), reports, Batch Documentation, analytical results, samples of Product and any other information, materials or other tangible item developed by or on behalf of Provider under a Statement of Work, as more particularly set out in the applicable Statement of Work.

1.33. "**Development Services**" means any and all activities relating to process and analytical development, analytical testing, preparation and submission of applications (including any CMC-related information) for Regulatory Approval of a Product, together with other services as agreed upon between the Parties that are to be performed by or on behalf of Provider or its Representatives pursuant to a Statement of Work, but excluding [***] For the avoidance of doubt, Development Services do not include any activities within the Manufacturing of a Product.

1.34. "**Disclosing Party**" is defined in Section 16.1 (Scope of Confidential Information).

1.35. "**Dispute**" is defined in Section 17.7.2 (Dispute Resolution).

1.36. "**EMA**" means the European Medicines Agency, and any successor agency entity thereof having or performing substantially the same function.

1.37. "**Engineering Batch**" is defined in Section 9.3 (Engineering Batches).

1.38. "**Exception Notice**" is defined in Section 10.5 (Product Conformity).

1.39. "**Executive Officers**" means the Chief Executive Officer of Senti, or his or her designee, and the Chief Executive Officer of Provider, or his or her designee.

1.40. "**Facility**" means (a) the Alameda Facility or (b) any other facility of Provider or its Affiliates specifically identified in the applicable Statement of Work.

1.41. "**Failed Batch**" is defined in Section 10.4 (Batch Failure).

1.42. "**FDA**" means the United States Food and Drug Administration, or any successor entity thereof having or performing substantially the same function.

1.43. "**Force Majeure**" is defined in Section 17.5 (Force Majeure).

1.44. "**GMP**" and "**cGMP**" will have the meanings assigned in the Quality Agreement.

1.45. "**GMP Changes**" is defined in Section 5.6.1 (Scope; Changes).

1.46. "**Governmental Entity**" means any United States federal, state or local government; any foreign government; or any court, administrative or other governmental or government-authorized authority, commission, department, board, tribunal, or agency, domestic, foreign or supranational, including any Regulatory Authority.

1.47. "**GxP**" will have the meaning assigned in the Quality Agreement.

1.48. "**Impacted Product**" is defined in Section 5.4.2.

1.49. "**In-Scope Activities**" means the activities described in Exhibit A, as may be amended from time to time pursuant to Section 2.4.5 (In-Scope Activities).

1.50. "**Inspection Period**" is defined in Section 10.5 (Product Conformity).

1.51. "**Intellectual Property**" means all intellectual property and proprietary rights, however denominated, throughout the world, including rights in copyrights, copyright registrations and copyright applications; trademarks, service marks, trade dress, trade names, trademark registrations and trademark applications; rights in inventions and discoveries (whether patentable or not), patents and patent applications; trade secret rights; rights in know-how; and all other rights and interests existing, created or protectable under any intellectual property law of any jurisdiction. With respect to Intellectual Property, "control" means that a Party has rights to use such Intellectual Property and has the ability to grant to the other Party rights to use such Intellectual Property on the terms and conditions set forth herein without violating the terms of any agreement or other arrangement with any Third Party.

1.52. "**Inventions**" means any inventions, innovations, improvements, developments, discoveries, methods, know-how, processes, techniques, scientific, technical and other information, data, compositions of matter and works of authorship, whether or not written or otherwise fixed in any form or medium and whether or not patentable or copyrightable.

1.53. "**Joint Project Team**" or "**JPT**" is defined in Section 4.5.1 (JPT Establishment; Composition).

1.54. "**Joint Steering Committee**" or "**JSC**" is defined in Section 4.1.1 (JSC Establishment; Composition).

1.55. "**Latent Defect**" means a defect that causes a Product not to conform to the Product specification and/or Product Requirements, which defect is not discoverable upon reasonable physical inspection or testing performed in accordance with the terms of this Agreement and the applicable Statement of Work.

1.56. "**Laws**" means all applicable ordinances, rules, regulations, statutes, laws, judgments, decrees, orders and other requirements, as amended from time to time, of any Governmental Entity: (a) in the United States of America, (b) with respect to Provider, in any jurisdiction other than the United States of America in which any Facility is located or as agreed to by the Parties in writing on a Statement of Work-by-Statement of Work basis; and (c) with respect to Senti, in any jurisdiction other than the United States of America in which (i) Senti operates or performs activities in respect of this Agreement or (ii) Senti Supplies or Senti Product are produced or used by or for Senti. The term "Laws" includes GxP unless otherwise specified in a Statement of Work, the Parties agree in writing to the contrary on a case-by-case basis, or it is not applicable in context.

1.57. "**License Agreement**" means the License Agreement to be entered into between the Parties in accordance with the Framework Agreement.

1.58. "**Licensee**" is defined in Section 2.4 [***]

1.59. [***] is defined in Section 2.5.5(b)(iv).

1.60. [***] is defined in Section 2.5.5(b)(iii).

1.61. [***] is defined in Section 2.5.5(b)(i).

1.62. [***] is defined in Section 2.5.5(b)(ii).

1.63. "**Losses**" is defined in Section 14.2.1 (Provider Indemnification).

1.64. "**Manufacture**" or "**Manufacturing**" means the steps and activities to produce a Product, including the manufacturing, processing, filling, packaging, labeling, analytical and quality control testing, stability testing, and/or release of Product, which are performed (or to be performed, as the context requires) by or on behalf of Provider as more particularly set forth in the applicable Statement of Work.

1.65. "**Manufacturing Process**" means (a) the specific production process provided by or on behalf of Senti to Provider for the Manufacture of a Product or (b) any other production process for the Manufacture of a Product used or developed under a Statement of Work, in each case ((a) and (b)), as such process may be provided, improved or modified from time to time during the Term pursuant to any Statement of Work and as such process is reflected in the then-current Master Batch Record for such Product.

1.66. "**Master Batch Record**" means the complete instructions for the Manufacturing and control of a Product.

1.67. "**Money Laundering Laws**" is defined in Section 13.2.5 (Provider Representations, Warranties and Covenants).

1.68. "**Nonconforming Product**" is defined in Section 10.5 (Product Conformity).

1.69. "**Observation**" is defined in Section 11.5.1 (Observation).

1.70. **[***]**

1.71. "**Out-License Procedure**" means [***]

1.72. "**Out-of-Pocket Costs**" means all documented out-of-pocket costs payable to Third Parties that are incurred or paid by or on behalf of Provider, in good faith, in connection with the performance of Services, including fees associated with outsourced testing, Third-Party services, shipping, Components, materials and supplies, plus a [***] mark up applied thereon, or such other mark up [***] as may be specified in the applicable SoW.

1.73. "**Payment Period**" is defined in Section 7.6 (Payments and Payment Terms).

1.74. "**Person**" means any individual, corporation, partnership (general or limited), limited liability company, limited liability partnership, trust, joint venture, joint-stock company, syndicate, association, entity, unincorporated organization, union or Governmental Entity, including any political subdivision, agency or instrumentality thereof.

1.75. "**PIP**" means a person-in-plant.

1.76. [***] is defined in Section 2.4.1.

1.77. [***] means the arrangements set out in Section 2.4.

1.78. "**Prepayment**" is defined in Section 7.2.1 (Prepayment).

1.79. "**Product**" means the product that is the subject of the Services as described in more detail in the applicable Statement of Work. For clarity, [***]

1.80. "**Product Requirements**" means the warranties with respect to a Product set forth in Section 13.2.2 (Provider Representations, Warranties and Covenants).

1.81. "**Project**" means the scope of services as set out in the applicable Statement of Work.

1.82. "**Project Manager**" or "**PM**" is defined in Section 4.2 (PM Identification; Change).

1.83. "**Project Schedule**" means the schedule for the activities of the Parties under the applicable Statement of Work, including the estimated timelines for performance, milestones, costs and fees, and payment schedule.

1.84. "**Proposed Transaction**" is defined in Section 2.5 [***]

1.85. "**Provider Indemnitees**" is defined in Section 14.1.2 (Senti Indemnification).

1.86. "**Provider Inventions**" is defined in Section 12.2.2 (Provider Inventions).

1.87. "**Provider IP**" is defined in Section 12.2.1 (Provider IP).

1.88. "**Provider Operating Document**" means any Provider documentation relating generally to the operation, monitoring or maintenance of one or more of the Facilities or Provider's equipment, including: (a) protocols, methods, controls, standard operating procedures and specifications generally used by Provider (or useful) for the Services but not specific to a Product; and (b) corporate standards, software (e.g., building and process automation, process and utility controls), lists of qualified vendors and service providers, facility qualification and validation documentation, and supporting documentation used by Provider, such as, without limitation, environmental monitoring.

1.89. "**Provider Processing Default**" is defined in Section 10.4 (Batch Failure).

1.90. "**Product Specifications"** means, with respect to a Product, the applicable specifications identified in, or determined in accordance with, the relevant SoW.

1.91. "**Provider-Supplied Materials**" is defined in Section 6.3 (Provider-Supplied Materials).

1.92. "**Purchase Order**" is defined in Section 10.2 (Purchase Ordering).

1.93. "**Quality Agreement**" means a written mutually agreed upon quality agreement referencing this Agreement, duly executed by both Parties, defining and assigning quality roles and responsibilities, to comply with GxP in the performance of the Services and the Manufacture of each Product under this Agreement.

1.94. "**Receiving Party**" is defined in Section 16.1 (Scope of Confidential Information).

1.95. "**Regulatory Approval**" means all necessary Regulatory Authority approvals for the Manufacture or use of a Product or Senti Product in clinical trials or commercial distribution, selling and marketing of a Product or Senti Product, including an investigational new drug application (IND), biologics license application (BLA), or equivalent application outside of the United States, and satisfaction of any applicable Regulatory Authority registration and notification requirements for use of the Product or Senti Product in the applicable Territory, but excluding permits and licenses with respect to general Facility operations.

1.96. "**Regulatory Authority**" means, in a particular country or regulatory jurisdiction, the applicable governmental authority or agency involved in granting any approvals necessary for the manufacture, use, clinical investigation, marketing, importation and sale of a pharmaceutical product (such as a Product) and, to the extent required in such country or regulatory jurisdiction, pricing or reimbursement approval of such pharmaceutical product in such country or regulatory jurisdiction. For illustrative purposes and without limiting the generality of the foregoing, "Regulatory Authority" includes the FDA and the EMA.

1.97. "**Reduction Notice**" is defined in Section 5.6 (Rescheduling or Reduction of Services).

1.98. "**Relevant Senti Intellectual Property**" means:

(a) [***] together with

(b) [***]

1.99. "**Representatives**" means a Party's Affiliates and its and their respective directors, officers, employees, contractors, consultants, and subcontractors.

1.100. "**Reschedule Notice**" is defined in Section 5.6 (Rescheduling or Reduction of Services).

1.101. "**Rescheduling or Reduction Fee**" is defined in Section 5.6.1 (Rescheduling or Reduction Fee).

1.102. "**Reservation Fee**" is defined in Section 7.5 (Invoices).

1.103. "**Root Cause**" is defined in Section 5.4.5(a).

1.104. "**Senti Indemnitees**" is defined in Section 14.1.1 (Provider Indemnification).

1.105. "**Senti Inventions**" is defined in Section 12.1.2 (Senti Inventions).

1.106. "**Senti IP**" is defined in Section 12.1.1 (Senti IP).

1.107. "**Senti [***]**

1.108. "**Senti [***]**

1.109. "**Senti [***] Product**" means a pharmaceutical product that [***].

1.110. "**Senti Product**" means any product [***]

1.111. "**Senti Supplies**" means [***] materials supplied (or specified in the applicable SoW as to be supplied) or otherwise made available by Senti or any of its Affiliates or agents to Provider for use in the Services.

1.112. "**Service Fees**" means the fees payable to Provider in consideration for Provider's performance of Services and other obligations as described in the applicable Statement of Work, but excluding Out-of-Pocket Costs.

1.113. "**Services**" means all or any part of the services to be performed by or on behalf of Provider under this Agreement, which may include Development Services, Manufacturing and [***] as set forth in any Statement of Work.

1.114. "**Shipping Guidelines**" means, with respect to a Product, the written guidelines for shipping and transporting such Product (including temperature), as agreed in writing by the Parties.

1.115. "**Statement of Work**" or "**SoW**" means a written statement of work, duly executed by an authorized representative of each of the Parties, [***].

1.116. "**Suite Forecast**" is defined in Section 5.1 (Forecast).

1.117. "**Supply Failure**" is defined in Section 5.4.5.

1.118. "**Target Supply Date**" means the date by which Provider will fill the relevant Product into its final container, place it into appropriate storage conditions, and complete

all of Provider's internal quality control testing of the relevant Product, as stated in the relevant Statement of Work or agreed by the Parties in writing.

1.119. "**Term**" is defined in Section 15.1 (Term).

1.120. "**Territory**" means, with respect to a Product to be Manufactured and supplied under any Statement of Work hereunder, any country in which Senti or its Affiliate or, if applicable, its licensee is authorized, or may be authorized, to conduct clinical trials of such Product or the corresponding Senti Product and that is specifically identified in the applicable Statement of Work (or a Change Order). Notwithstanding the foregoing, unless otherwise expressly set forth in a Statement of Work (or Change Order), the countries and jurisdictions listed in Exhibit D hereto shall be deemed included in the "Territory" for all Products under all Statements of Work.

1.122. "**Third Party**" means any party other than Provider, Senti and their respective Affiliates.

1.122. "**Third Party Claim**" is defined in Section 14.1.1 (Provider Indemnification).

1.123. **[***]** is defined in Section 2.4.4.

1.124. "**Third Party Starting Materials**" means [***] procured by or on behalf of Provider from a Third Party for use in the performance of Services.

1.125. "**U.S. Economic Sanctions**" is defined in Section 13.2.6 (Provider Representations, Warranties and Covenants).

1.126. "**Unforeseen Technical Factor**" is defined in Section 15.2.3 (Termination; For Technical Issues).

1.127. "**Unsatisfactory Engineering Batch**" is defined in Section 9.2 (Engineering Batches).

2. ENGAGEMENT OF PROVIDER; SOWS; IN-SCOPE ACTIVITIES; GUARANTY.

2.1. **Master Agreement**. This Agreement establishes the general terms and conditions under which Provider may perform Services for Senti. This Agreement is intended to allow the Parties to contract for Services by entering into specific Statements of Work without having to renegotiate the general terms and conditions that apply.

2.2. **Statements of Work**. From time to time during the Term, Senti may wish to engage Provider to perform Services under this Agreement. The specific Services to be performed by or on behalf of Provider will be set forth and described in a uniquely numbered Statement of Work. No Statement of Work will be effective unless and until it has been agreed to and fully executed and delivered by duly authorized representatives of both Parties. Each Statement of Work will constitute a separate agreement of the Parties but will form a part of and will be governed by the terms of this Agreement, whether or not physically annexed to this Agreement. Statements of Work may be modified or expanded in accordance with Section 5.7 (Changes to Statements of Work).

2.3. **Initial Statements of Work**. The Parties hereby agree that the Statements of Work attached hereto as Exhibit B.1 [***] Exhibit B.2 [***] Exhibit B.3 [***] (collectively, Exhibit B) and Exhibit C [***] shall be effective as of the Effective Date. The SoWs set forth in Exhibit B will cover Services to be conducted during the estimated time period as

set forth in such SoWs and as agreed to by the Parties through the forecasting mechanism set forth in Section 5.1 (the "**Phase 1 SoWs**"). Under the SoW set forth in Exhibit C (the [***] Senti is [***] to Provider [***].

2.4. **[***]**. Subject to and in accordance with the process set forth in this Section 2.4 [***], Senti shall engage Provider for, and Provider shall be obligated to conduct, any In-Scope Activities involving the use of Relevant Senti Intellectual Property that Senti requires for or in connection with Senti's [***] (such required In-Scope Activities, the "**Senti Desired Activities**").

2.4.1. Subject to Section 5.4 (Supply Failure), upon Senti's determination to conduct or have conducted any particular instance of Senti Desired Activities, then, [***] Senti shall notify Provider, and the JSC shall promptly meet to discuss, based on evidence provided by Provider in advance of such discussion, whether: [***] then, in addition to the criteria provided in clauses (a), (b) and (c) above, the JSC shall also have regard to whether (d) [***] If the JSC is unable to agree whether [***] the dispute shall be resolved in accordance with Section 2.4.6.

2.4.2. If the JSC or Executive Officers agree, or the expert determines (pursuant to Section 2.4.6), that [***] then Senti shall have no obligation [***] to conduct such Senti Desired Activities, and shall be free to [***] to conduct such Senti Desired Activities. If Provider subsequently believes that [***], it may notify Senti, and if Senti thereafter [***] then Section 2.4.1 will apply to such Senti Desired Activities; provided that Senti shall notify Provider in accordance with Section 2.4.1, (i)[***]

2.4.3. If the JSC or Executive Officers agree, or the expert determines (pursuant to section 2.4.6), that [***].

2.4.4. At any time prior to the Parties' entry into such Statement of Work negotiated pursuant to Section 2.4.3(i), Senti may [***], then Senti may notify Provider. In order to be valid, each such notice shall set out [***] and except as provided below, shall include [***] provided that, if Senti is unable to provide [***] the Parties will engage an independent technical expert to [***] and assess whether [***] and, if not, to assess [***]. The expert shall provide the Parties with a report setting out its conclusion, details of [***], and the methodology used in making the assessment, and shall state whether [***] Senti shall use Commercially Reasonable Efforts to [***] or for the independent technical expert to [***] Unless within [***] after receipt of notice from Senti or receipt of the report from the independent expert, Provider either (i) [***] (ii) [***], Senti shall [***], and shall [***]If Provider timely disputes Senti's assertion, the dispute will be resolved under Section 2.4.6, and if such resolution is that [***] If the resolution of such dispute under Section 2.4.6 is that [***], then unless Provider agrees [***], Senti shall [***], and shall [***].

2.4.5. If at any time Provider has the capability to conduct particular activities in addition to those listed on Exhibit A, Provider shall notify Senti and provide all information and documentation reasonably requested by Senti to evidence such capability. If Senti does not agree that Provider has the capability to conduct the proposed activities within [***] after Provider notifies Senti and provides the requested evidence, then the dispute will be resolved pursuant to Section 2.4.6. If Senti agrees (or the Executive Officers agree or the expert determines pursuant to Section 2.4.6) that Provider has the capability to conduct the proposed activities, then the Parties shall amend Exhibit A accordingly and [***] shall apply with respect to those added activities. If, as of the date the activities are added to Exhibit A ("**Activity Addition Date**"), Senti has, pursuant to a then-effective agreement, [***], Senti may [***].

2.4.6. Disputes specified under this Agreement to be resolved under this Section 2.4.6 shall be referred to the Executive Officers for resolution. If the Executive Officers fail to resolve such dispute(s) within [***] after such referral, then the Parties shall engage an independent technical expert that is agreed by the Parties (such agreement not to be unreasonably withheld) to resolve the dispute(s). If the dispute relates to [***], then [***] shall apply. In all other circumstances, each Party shall provide to the other Party and such expert its evidence and arguments with respect to such dispute(s). The decision of the expert will be final and binding upon the Parties in the absence of manifest error or bad faith on the part of the expert. The Parties will [***].

2.5. **[***]**. This Section 2.5 ([***]) will only apply if Senti intends to license, grant an option to obtain a license, or otherwise transfer to a Third Party (a "**Licensee**") [***] (a "**Proposed Transaction**"), and will not apply to any product that [***], are not Proposed Transactions and shall not be subject to this Section 2.5 [***]).

2.5.1. **Senti [***] Products.**

2.5.1(a) If Senti intends to carry out a Proposed Transaction in connection with a Senti [***] Product, and Senti has not commenced any activities for [***] ("**[***] Activities**"), then:

(i) If any SoWs are in effect between Senti and Provider relating to the relevant Senti [***] Product at the time of discussions with a prospective Licensee regarding the Proposed Transaction, the Out-License Procedures shall apply to those SoWs, the Quality Agreement, and the [***] for such Senti [***] Product;

(ii) If the Proposed Transaction is [***}, upon [***], if any SoWs are in effect between Senti and Provider relating to the relevant Senti [***] Product and/or Senti [***] Product on the date of [***], the Out-License Procedures shall apply to such SoWs, the Quality Agreement, and the [***] for such Senti [***] Product and/or Senti [***] Product. Senti shall ensure it has the right to effect the Out-License Procedures in connection with [***] and [***] may be negotiated and agreed before or after [***], however in no event shall [***];

(iii) if no SoWs are in effect between Senti and Provider when [***], or when the Licensee [***], Senti shall have no obligation to undertake the Out-License Procedures, however Senti shall [***].

2.5.2. **Senti [***] Products with [***] Activities.**

2.5.2(a) If Senti intends to carry out a Proposed Transaction in connection with a Senti [***] Product, and Senti has commenced [***] Activities for such Senti [***] Product, then Section 2.5.3 (Senti [***] Products) shall apply.

2.5.3. **Senti [***] Products.**

2.5.3(a) If Senti intends to carry out a Proposed Transaction in connection with a Senti [***] Product, the Out-License Procedures shall apply to any SoWs in effect between Senti and Provider relating to the relevant Senti [***] Product, the Quality Agreement, and [***] for such Senti [***] Product.

2.5.4. **Exclusion for [***]**

2.5.4(a) The Out-License Procedures shall not apply in the situation where Senti proposes [***]. For clarity, (i) for so long as [***], and (ii) for so long as [***], then Senti itself will [***]. Senti shall [***].

2.5.5. **Out-License Procedures**.

2.5.5(a) Senti shall notify Provider of any Proposed Transaction and provide reasonable details of such Proposed Transaction.

2.5.5(b) For Proposed Transactions where the Out-License Procedures apply to any SoWs, the Quality Agreement, and [***]:

(i) **Service Agreement**. Senti shall require Licensee to [***] under which Licensee shall [***].

(ii) **SoWs**. Senti shall [***] If any portion [***], such portion [***] Any [***] shall be governed by [***].

(iii) **Quality Agreement.** Senti shall require Licensee to [***]

(iv) **Adjustments**. If Licensee requests [***] (for example to address issues including but not limited to [***] in a timely manner regarding such requests. None of Provider, Senti or Licensee shall be obligated to [***].

(v) In the event the parties are unable to agree to [***], then the relevant SoWs, this Agreement, and the Quality Agreement shall remain binding and effective as between Senti and Provider with respect to the relevant Senti [***] Product.

(vi) Subject to Section 2.5.1(a)(ii), Senti shall not enter into the Proposed Transaction with the Licensee unless (A) [***], or (B) [***]. If Senti breaches this Section 2.5.4(b)(vi), [***].

(vii) **Prepayments and Credits**. Provider may, at its reasonable discretion, agree to [***].

2.5.6. **Applicable Products**. On an ongoing basis during the Term, the Parties will maintain an indicative list of Senti [***] Products. As of the Effective Date, such list consists of the following products: [***]. For the avoidance of doubt, the list shall not be deemed conclusive.

2.6. **Change of Control**. If Senti undergoes a Change of Control during the Term, and if:

2.6.1. such Change of Control is a transaction with a Third Party that [***], or is [***] (a) Senti shall, prior to the closing of the Change of Control, [***], or [***] and (b) from and after the closing of such Change of Control, [***].

2.6.2. subject to Section 2.6.1, such Change of Control results in [***], then [***]

2.7. **Conflict Between Agreements**. A Statement of Work and the Quality Agreement may provide additional and/or modifying terms to the terms in this Agreement. In the event of a conflict in terms, the terms of this Agreement will prevail unless otherwise explicitly stated in the Statement of Work or Quality Agreement, as the case may be, that the terms thereof take precedence; *provided*, that the terms of the Quality Agreement shall govern (and prevail in the event of any conflict) with respect to all quality matters relating

to this Agreement. To the extent that any provision in this Agreement is inconsistent with or conflicts with the Framework Agreement or other agreement executed by the Parties in connection therewith, the provisions of this Agreement will control unless explicitly stated in such agreement to prevail over this Agreement.

2.8. **Form Documents**. No terms, provisions or conditions of any purchase order, order acknowledgement, quote, proposal, invoice or other business form or written authorization used by either Party will have any effect on the rights or obligations of the Parties under, or otherwise modify, this Agreement, regardless of any failure of the other Party to object to such terms, provisions or conditions, except to the extent that such document refers to this Agreement, explicitly states that the terms thereof take precedence, and is signed by an authorized representative of each of the Parties.

3. PERFORMANCE OF SERVICES.

3.1. **Performance of Services**. Subject to Section 3.2 (Timelines), Provider shall perform the Services specified in the applicable Statement of Work in accordance with the terms and conditions of this Agreement, such Statement of Work, and Laws.

3.2. **Timelines**. The Parties recognize that the Development Services are of a developmental, experimental or research nature and that any Product that is a Deliverable under Development Services is not intended for commercial use. Senti acknowledges and agrees that all timelines for Development Services set forth in the applicable Statement of Work are good faith estimates and, other than Development Services under Phase 1 SoWs, are non-binding. Provider shall use Commercially Reasonable Efforts to meet the timelines set forth in the Phase 1 SoWs, but any failure by Provider to meet such timeline shall not, in and of itself, be considered a breach of this Agreement or the applicable Phase 1 SoW. The timelines for performance of Services set forth in [***] are binding and Provider shall meet such timelines when performing those Services, provided that Provider shall not be liable for any delay in meeting such timelines to the extent it resulted from (a) delays in connection with a Change Order pursuant to the last sentence of Section 5.7.3 (Draft Change Orders), or (b) delays by Senti in performing any responsibilities expressly allocated to Senti in this Agreement or the SoW (including, but not limited to, providing Senti Supplies under Section 6.1.4 and any technology transfer activities set out in the SoW), except to the extent such delays are attributable to Provider's breach of this Agreement or any SoW or gross negligence or willful misconduct of Provider or any of its personnel or subcontractors.

3.3. **Subcontracting**. Save for the approved subcontractors set forth in Exhibit G and any other subcontractor expressly specified in an SoW, Provider may not subcontract any of the Services without the prior written consent of Senti. Provider will remain responsible and liable for the performance and compliance of its subcontractors with this Agreement and the applicable Statement of Work. Prior to any subcontractor's initiation of the performance of any subcontracted Services, Provider shall have entered into a written agreement with such subcontractor under which such subcontractor has (a) agreed to be bound by obligations of confidentiality and non-use no less stringent than the provisions of Section 16 (Confidentiality) hereof, (b) assigned, and agreed to assign, to Provider all right, title and interest in and to all Deliverables and Intellectual Property arising from or made in the performance of any subcontracted Services by such subcontractor or its personnel (which Intellectual Property will be deemed included in Provider Inventions) as necessary for Provider to comply with its obligations hereunder, and (c) granted Provider [***].

4. PROJECT MANAGEMENT.

4.1. **Joint Steering Committee.**

4.1.1. JSC Establishment; Composition. Within thirty (30) days following the Effective Date, the Parties will establish a joint steering committee ("**JSC**"). The JSC will consist of [***] representatives (or such other number of representatives as the Parties may mutually agree) of each Party. Each Party may change its representatives to the JSC from time to time in its sole discretion, provided that each Party shall make available representatives with the relevant expertise required for each JSC meeting. Each Party shall appoint [***] of its representatives on the JSC to act as the chairperson of the JSC for [***] periods, effective from the month of establishment of the JSC, and the first chairperson shall be [***]. The chairperson shall be responsible for: (a) calling meetings of the JSC; (b) preparing and issuing minutes of each such meeting within [***] thereafter, and (c) preparing and circulating an agenda for the upcoming meeting, but shall have no additional rights or authority over other JSC members.

4.1.2. JSC Meetings. The JSC shall hold meetings at such times as it elects to do so, but in no event shall such meetings be held less frequently than once every [***]. Meetings may be cancelled, or rescheduled, upon agreement by at least one (1) representative from each Party. Meetings will be held by videoconference or teleconference unless an in-person meeting is agreed by the Parties. The location of any in-person meetings will be established by the JSC. Employees and other representatives of each Party who are not members of the JSC may attend meetings of the JSC as required to further activities contemplated by this Agreement, subject to prior written approval of the other Party and provided such attendee is bound by written obligations of confidentiality and nonuse no less restrictive than those contained in this Agreement. To the extent practicable, each Party's JSC members will provide proposed agenda items to the chair at least [***] in advance of each JSC meeting date and the chair will accept all agenda items timely submitted. The JSC chair shall keep minutes of each JSC meeting that record in writing all matters discussed, decisions made, action items assigned or completed and other appropriate matters. The JSC chair shall circulate the meeting minutes to all JSC members promptly following each meeting, and the JSC members shall promptly provide comments or approval of such minutes, but in no event later than the next JSC meeting. Each Party shall be responsible for all of its own expenses of participating in the JSC. If a JSC representative of a Party is unable to participate in a meeting of the JSC, such Party may designate an alternate to participate in such meeting in place of the absent representative, provided that such alternate is bound by written obligations of confidentiality and nonuse no less restrictive than those contained in this Agreement. No action taken at any meeting of the JSC shall be effective unless at least one (1) representative from each Party is participating.

4.1.3. JSC Role. The JSC shall perform the following functions, subject to the rest of this Section 4.1: (a) [***]; (b) [***]; (c) [***]; (d) [***]; (e) [***]; (f) [***]; (g) [***]; and (h) performing such other functions as appropriate to further the purposes of this Agreement, as expressly set forth in this Agreement or as determined by the Parties in writing. The JSC shall have only such powers as are expressly assigned to it in this Agreement, and such powers shall be subject to the terms and conditions of this Agreement. Without limiting the generality of the foregoing, the JSC shall not have the power to amend this Agreement, and no decision of the JSC may be in contravention of the terms and conditions of this Agreement.

4.1.4. Decision-Making. All decisions of the JSC shall be made by unanimous vote, with each Party's representatives collectively having one vote. If the representatives of the Parties on the JSC cannot reach an agreement as to (a) [***], or (b) any other matter within the decision-making authority of the JSC within [***] after such

matter was brought to the JSC for resolution or after such matter has been referred to the JSC, such disagreement shall be referred to the Executive Officers of the Parties for resolution. If the Executive Officers cannot resolve such other matter within [***] after such matter has been referred to them (or within [***] if either Party notifies the other Party that such matter needs immediate attention), then (i) if the matter is whether [***], the dispute will be resolved as provided below in this Section 4.1.4, and (ii) with respect to all other matters, [***]. To resolve any dispute under clause (i) of the preceding sentence, the Parties shall engage an independent technical expert that is agreed by the Parties (such agreement not to be unreasonably withheld) to resolve the dispute(s), and each Party shall provide to the other Party and such expert its evidence and arguments with respect to such dispute(s). The decision of the expert will be final and binding upon the Parties in the absence of manifest error or bad faith on the part of the expert. The Parties will [***].

4.2. **PM Identification; Change**. Each Party shall identify an individual to have primary responsibility for day-to-day interactions with the other Party regarding the Services under a Statement of Work (a "**Project Manager**" or "**PM**"). Each Party may change its Project Manager under an applicable Statement of Work from time to time by written notice to the other Party. The Party making any such change will arrange for the other Party to meet its new Project Manager by teleconference or videoconference.

4.3. **PM Responsibilities**. Project Managers will be responsible for coordinating any development efforts required for each Project, monitoring the Project Schedule, establishing operating guidelines for the Project, defining communication formats, forming and overseeing project teams, and monitoring the general progress of the Project. Senti's Project Manager will have the responsibility to, and shall have the authority from Senti to, communicate instructions, direction and decisions to Provider for Project activities. Provider's Project Manager will have the responsibility to schedule any Project initiation meetings as necessary.

4.4. **Communication**. Except as otherwise provided in the Quality Agreement with respect to quality-related communications, during the Term:

4.4.1. Provider will regularly communicate with Senti, through the Project Managers, using electronic portals, or via such other methods as the Parties may agree, and respond to all reasonable requests of Senti for information regarding the status of each Project. Provider's Project Manager will provide Senti with Project updates with reasonable frequency, which updates will include, unless inapplicable: (a) advising Senti of progress as measured against the Project Schedule; (b) advising Senti of any material problems encountered with respect to the Project Schedule; and (c) any efforts being made to overcome any material problems with the Project Schedule and estimates of actual completion dates.

4.4.2. Senti will send all operational communications regarding Project activities to Provider's Project Manager (or designee). Senti shall promptly inform Provider of material events or circumstances that Senti becomes aware of that could reasonably be expected to impact the Project, including changes to its desired outcomes for the Project, the Project priority within Senti's organization, key regulatory developments regarding Senti Supplies, Third Party Starting Materials or Product, and potential delays in delivery of Senti Supplies. For the sake of clarity, such communications shall be for information only and shall not effect any change to any SoWs, the Quality Agreement, or this Agreement or the rights, responsibilities or liabilities of the Parties thereunder, except to the extent subsequently documented in a Change Order agreed between the Parties in accordance with Section 5.7 (Changes to Statements of Work).

4.5. **Joint Project Team**.

4.5.1. JPT Establishment; Composition. Within thirty (30) days following the Effective Date, the Parties will establish a joint project team ("**JPT**"). The JPT will consist of an equal number of representatives of each Party having sufficient expertise

regarding, and knowledge of, the activities conducted pursuant to this Agreement to contribute meaningfully to JPT meetings, but no fewer than [***] representatives per Party. As Statements of Work are executed, each Party's Project Managers will automatically be added to the JPT. A Provider nominee will be the chair of the JPT. The chair will be responsible for: (a) calling meetings of the JPT; (b) preparing and issuing minutes of each such meeting within [***] thereafter; and (c) preparing and circulating an agenda for the upcoming meeting, but shall have no additional rights or authority over other JPT members.

4.5.2. JPT Mandate. The JPT will meet to discuss any questions or issues regarding the Services and the relationship between the Parties. The JPT is expected to work towards consensus decisions on matters of concern to the Parties, but neither the JPT nor the Project Managers will have any right to modify, amend or waive any provision of this Agreement, including any provision of any Statement of Work, or the Quality Agreement. The JPT will make decisions only by consensus of all of its members. In the event the JPT cannot reach decision on a matter within its realm of responsibility, the matter shall be elevated to the JSC for such decision making.

4.5.3. JPT Meetings. The JPT shall hold JPT meetings in compliance with the governance practices consistent with those applicable to the JSC meetings set forth in Section 4.1.2 (JSC Meetings); except that meetings of the JPT will be held periodically during the Term, but in no event no less frequently than [***], subject to cancellation by mutual agreement of the Parties (acting reasonably).

5. PROJECT INITIATION, SCHEDULING, CANCELLATIONS AND CHANGE ORDERS.

5.1. **Forecast**. Upon, or as soon as practicable after the Parties' entry into a SoW and for each month thereafter, Senti shall provide Provider with a rolling [***] forecast of Senti's requirement for (a) [***] and/or (b) [***]. With respect to GMP Manufacturing Services, to the extent Reservation Fees have not been specified in the relevant SoW, Provider shall notify Senti of the Reservation Fees applicable to: (i) the [***] of the rolling Services Forecast, and [***] of the rolling Services Forecast thereafter, or (ii) such period for use of a dedicated suite indicated in the Suite Forecast, or as otherwise agreed between the Parties in writing.

5.2. **Booking**. Once [***] the portion of the Services Forecast and/or Suite Forecast covered by such Reservation Fees shall constitute a binding commitment on Provider to perform the applicable Services, and, unless otherwise specified in the relevant SoW, the applicable Commencement Date and the Target Supply Date(s) of the Deliverable(s) for the applicable GMP Manufacturing Services will be based on the Services Forecast and/or Suite Forecast (or as otherwise agreed in writing by the Parties). For clarity, the Services Forecast and Suite Forecast are rolling and non-binding and are merely informational for the sole purpose of assisting the Parties in planning until [***]. The JPT will discuss the Service Forecast and Suite Forecast at each JPT meeting and, upon request by Senti, will update the Service Forecast and/or Suite Forecast with respect to the non-binding period.

5.3. **Capacity**. Provider shall periodically provide Senti updates on the availability of additional clean room facilities or suites. Senti shall give Provider [***] advance notice of any increase in Services required, if such increase would reasonably be contemplated to affect Provider's procurement of equipment, or require any modifications to the Facility, or the reservation of additional suites.

5.4. **Supply Failure**. In the event of a Supply Failure:

5.4.1. If the Supply Failure relates to a particular Product, then subject to Section 5.4.3, [***] shall cease to apply to such Product.

5.4.2. If the Root Cause of the Supply Failure with respect to a particular Product will [***] (each [***] an "**Impacted Product**"), then subject to Section 5.4.3, [***] shall cease to apply to such Impacted Products. If [***] and Provider [***], then such particular Product shall be deemed an Impacted Product. If Senti reasonably believes that Products that were not considered in the investigation for Root Cause would be Impacted Products, it may notify Provider and Provider shall, upon Senti's request, conduct an additional investigation with respect to those Products.

5.4.3. Notwithstanding Sections 5.4.1 and 5.4.2, if Senti determines in its reasonable discretion that [***] then (a) [***], and (b) [***].

5.4.4. In connection with a Product that has suffered a Supply Failure, or its Impacted Products, Senti shall have the right to [***], or [***], provided that [***]. Senti may [***].

5.4.5. A "**Supply Failure**" occurs where, in connection with a particular Product:

5.4.5(a) There is [***], and after conducting an investigation in accordance with Sections 10.4 (Batch Failure) and/or 10.5 (Product Conformity), as applicable, to determine [***], there is a [***] ("**Root Cause**");

5.4.5(b) There are [***], and (i) Provider [***] or (ii) Provider [***]; or

5.4.5(c) Provider has failed to [***], unless such failure is [***].

5.4.6. If Senti [***], and Senti [***], Senti may [***], unless Senti is [***].

5.4.7. If there is any sustained disruption in supply such that Provider is unable to supply Batches in accordance with any Statement of Work, Provider shall use Commercially Reasonable Efforts to mitigate such disruption and ensure continuity of supply.

5.5. **Cancellation of Services**. Once Services have been scheduled and assigned a Commencement Date and Target Supply Date(s) for the Deliverables of such Services, any request by Senti to cancel such Services must be submitted in writing to Provider ("**Cancellation Notice**") and will be subject to the following provisions, as may be modified by the cancellation provisions set forth in the applicable Statement of Work. For clarity, a request to reschedule Services will not be considered a Cancellation Notice, and rescheduling of GMP Manufacturing Services will be subject to Section 5.6 (Rescheduling or Reduction of Services). Notwithstanding anything to the contrary herein, Senti will have no obligation to pay Cancellation Fees if the cancellation occurs as a result of [***]

5.5.1. Responsibility for Costs. For purposes of this Section 5.5.1 (Responsibility for Costs), "**Base Cancellation Costs**" means [***], including Out-of-Pocket Costs for (a) [***], (b) [***], and (c) [***].

(a) Cancellation Fees. Subject to Section 5.5.2 (Loss Mitigation), (i) if the Reservation Fee that Senti has paid to Provider for the cancelled Services exceeds the applicable cancellation fee provided below ("**Cancellation Fee**"), then such Reservation Fee, less the applicable Cancellation Fee, shall be credited against any future payments owed by Senti under this Agreement; and (ii) if the Reservation Fee that Senti has paid to Provider for the cancelled Services is less than the applicable Cancellation Fee, then

Senti shall pay Provider an amount equal to the applicable Cancellation Fee ***minus*** such Reservation Fee.

(i) Development Services. The Cancellation Fees for Development Services or for non-GMP Manufacture will equal [***].

(ii) GMP Batches. If Senti delivers a Cancellation Notice to Provider of any GMP Batch of Product that has been assigned a Commencement Date and Target Supply Date under a Statement of Work, then the Cancellation Fees will equal the sum of the Base Cancellation Costs and the applicable additional fee calculated as follows, provided that the total amount payable will never exceed the total Services Fees for the applicable Batch:

Days Prior to Commencement Date	Additional Fees
Cancellation Notice < [***]	[***]
Cancellation Notice ≤ [***]	[***]
[***] < Cancellation Notice	[***]

5.5.2. Loss Mitigation. Upon receipt of a Cancellation Notice, Provider will utilize Commercially Reasonable Efforts to utilize the reserved resources (including staff, production suites, and materials) for other existing projects in order to mitigate lost revenues and costs. If Provider is successful in reallocating an existing project to replace the cancelled Services (including by rescheduling Services to be performed for Senti in a dedicated suite reserved by Senti under the applicable SoW), or if [***], or if any of [***], then the Cancellation Fees owed by Senti will be reduced by a corresponding amount.

5.6. **Rescheduling or Reduction of Services**. If Senti notifies Provider that it would like to reschedule or reduce any Services for which Reservation Fees are payable, and a Commencement Date and Target Supply Date(s) for the Deliverables of such Services have been assigned ("**Reschedule Notice"** or **"Reduction Notice**", as applicable), then Provider shall [***] in order to mitigate lost revenues and costs, and Target Supply Dates shall be adjusted accordingly.

5.6.1. Rescheduling or Reduction Fee. If Senti delivers a Reschedule Notice or Reduction Notice to Provider for rescheduling or reducing the relevant Services, unless different fees are set forth in the applicable Statement of Work and subject to Section 5.6.2, the Reservation Fee that Senti has paid to Provider for the rescheduled or reduced Services, less the amount of the applicable rescheduling or reduction fee provided below ("**Rescheduling or Reduction Fee**"), shall be credited against any future payments owed by Senti under this Agreement.

Days Prior to Commencement Date	Rescheduling or Reduction Fees
Reschedule Notice or Reduction Notice < [***]	[***]
Reschedule Notice or Reduction Notice ≤ [***]	[***]
[***] < Reschedule Notice or Reduction Notice	[***]

5.6.2. If Provider is successful in rescheduling [***] the Rescheduling or Reduction Fees will be reduced by a corresponding amount. Notwithstanding anything to the contrary herein, Senti will have no obligation to pay any Rescheduling or Reduction Fees if the rescheduling occurs as a result of [***]

5.7. **Changes to Statements of Work**.

5.7.1. Scope; Changes. The Parties acknowledge that certain changes in, or additions to, the Services as set out in a Statement of Work (including any Purchase Order issued thereunder) may be required or desirable but may have an impact on the delivery and performance of the Services and, in some cases, on the cost of providing the Services. Such changes or additions may include: [***] (the matters in this clause (d), "**GMP Changes**").

5.7.2. Notice of Proposed Change. If either Party wishes to propose a change in, or an addition to, the Services under a Statement of Work, whether a GMP Change or other change, it will deliver a written notice to the other Party describing the proposed change. No change to the Services or an SoW, howsoever communicated between the Parties, shall be effective unless agreed as a Change Order under this Section 5.7 (Changes to Statements of Work).

5.7.3. Draft Change Orders. Provider will, as promptly as reasonably practicable, prepare and deliver to Senti a draft of the Change Order setting out: (a) the effect of the proposed change, if any, on the Services under the applicable Statement of Work, including estimated timelines for performance (including Target Supply Dates); (b) the effect of the proposed change, if any, on the amounts payable by Senti under the applicable Statement of Work (subject to Section 7.1 (Credit) and Section 7.2 (Prepayment)); (c) the estimated timeline for implementing the proposed change; and (d) any other pertinent details. Provider shall have no obligation to prepare a draft Change Order if, on its face, it is commercially unreasonable for Provider to implement Senti's proposed change. While a Change Order is being discussed by the Parties, Provider will continue to provide Services under the applicable Statement of Work unless Senti requests that such Services be delayed pending execution of a new or revised Change Order or performance of such Services is inconsistent with applicable Law. If Provider's provision of Services are delayed pursuant to this Section 5.7.3 (Draft Change Orders) because Senti requests in writing that Provider cease conducting such Services during the negotiation of a Change Order, Provider shall have no liability for any failure to meet timelines set out in the relevant SoW or any relevant Target Supply Dates to the extent resulting from Provider's ceasing

conduct of such Services as requested by Senti, and such failure shall not be considered a breach by Provider.

5.7.4. Effectiveness. No Change Order will be effective unless and until it has been agreed to and fully executed and delivered by duly authorized representatives of both Parties. Once a Change Order has been executed, the changes in or additions to the Services will be deemed to have amended the Statement of Work and/or Purchase Order, as applicable, accordingly. For the avoidance of doubt, unless and until a Change Order to modify a Statement of Work has been agreed to by both Parties in accordance with the preceding sentence, the existing Statement of Work shall remain in effect.

5.7.5. Impasse. In the case of any GMP Change, the Parties will negotiate in good faith to agree on a Change Order to comply with such GMP Change. If [***], then either Party may, in its sole discretion, terminate the applicable Statement of Work upon [***] notice to the other Party. In the event of any termination in accordance with this Section 5.7.5 (Impasse): (i) [***]; and (ii) [***]. In the event a Statement of Work is terminated in accordance with this Section 5.7.5 (Impasse), [***]. If Senti subsequently determines in its reasonable discretion that [***] then [***]. If Senti has [***] then upon [***], Senti may [***].

6. MATERIALS AND EQUIPMENT.

6.1. **Senti Supplies**. Senti will be responsible for providing Provider with all Senti Supplies described in the applicable Statement of Work for use in the conduct of the Services. For clarity, Senti Supplies with respect to a Statement of Work may include Products Manufactured by Provider under a separate Statement of Work, in which case Senti's provision of such Senti Supplies that are Manufactured by Provider will be contingent on Provider's timely delivery of the applicable Products in accordance with that other SoW and this Agreement. The following provisions will apply to Senti Supplies:

6.1.1. Senti will, at its cost and to the extent not in Provider's possession, deliver Senti Supplies to the applicable Facility at such times and in such quantities as specified in the applicable Statement of Work or as otherwise mutually agreed by the Parties;

6.1.2. Senti will provide to Provider, prior to delivering any Senti Supplies, to the extent not in Provider's possession, all available safety data sheets, environmental and safety information, handling instructions, protocols, standard operating procedures and other documentation available to Senti and necessary to safely handle and to maintain the properties of such Senti Supplies;

6.1.3. Provider shall use the Senti Supplies solely to conduct the applicable Services in accordance with the terms of this Agreement and the applicable SoW, and for no other purpose, and shall not attempt to determine the structure or composition of or reverse engineer or create derivatives of the Senti Supplies, except as expressly provided in the applicable SoW;

6.1.4. Provider will not be responsible for any delays in the performance of the Services to the extent arising directly out of Senti's material failure to timely provide to Provider all Senti Supplies. This Section 6.1.4 shall not apply in the event [***];

6.1.5. As between the Parties, Senti Supplies will at all times remain the property of Senti. Risk of loss of, or damage to, the Senti Supplies shall be borne by Senti, except to the extent the loss or damage is due to [***];

6.1.6. Senti will ensure that any Senti Supplies shipped directly or otherwise supplied to Provider for GxP purposes will be obtained by or on behalf of Senti from vendors approved by Senti in accordance with Senti's supplier qualification procedures (except that this Section 6.1.6 shall not apply in the event [***];

6.1.7. Senti will be responsible for qualifying all vendors of Senti Supplies to be used for GxP purposes and for ensuring that any Senti Supplies supplied to Provider (a) have successfully completed the required safety or release testing by the manufacturer and are accompanied by a certificate of testing or certificate of analysis from the manufacturer demonstrating that Senti Supplies comply with the manufacturer's specifications, and (b) meet the requirements for Senti Supplies in the relevant SoW, except in each case (a) or (b) as otherwise agreed to by the Parties in writing. Except as set forth in the applicable Statement of Work or the Quality Agreement, under no circumstances will Provider have liability hereunder for any failure or nonconformity of any Service or Product that arises from the nonconformity of the Senti Supplies (except that this Section 6.1.7 shall not apply in the event [***];

6.1.8. Senti hereby grants to Provider, during the Term, a non-exclusive, fully-paid license (with the right to sublicense solely to permitted subcontractors) under Senti's intellectual property rights in the Senti Supplies and Third Party Starting Materials, solely to perform Services under the applicable Statement(s) of Work in accordance with the terms of this Agreement.

6.2. **Importer of Record**. In the event that any material or equipment to be supplied by Senti, including Senti Supplies, is imported for delivery to Provider, Senti or its designee (other than Provider or any of its Affiliates) will be the "Importer of Record" for such goods. As the Importer of Record, Senti will be responsible for all aspects of the importation of such goods, including (a) customs and other regulatory clearance of such goods, (b) payment of all tariffs, duties, customs, fees, expenses and charges payable in connection with the importation and delivery of such goods, and (c) keeping all records, documents, correspondence and tracking information required by Laws arising out of or in connection with the importation or delivery of such goods.

6.3. **Provider-Supplied Materials**. With respect to all materials to be procured by Provider for use in the performance of Services ("**Provider-Supplied Materials**"), Provider will, subject to Section 7.1 (Credit) and Section 7.2 (Prepayment), charge to Senti the Out-of-Pocket Costs of such materials.

6.3.1. Dedicated Materials. the Provider Project Manager will be responsible for coordinating the ordering of Provider-Supplied Materials that are unique to the performance of the Services and designated as such in the Statement of Work or Quality Agreement ("**Dedicated Materials**"). Prior to Provider ordering Dedicated Materials, Senti will provide written authorization therefor. Provider will use its Commercially Reasonable Efforts to [***]. If the use of a vendor who is not a Provider approved vendor is agreed to by the Parties and if Provider is required to perform a vendor audit, the cost of performing such an audit will be borne by [***] provided that [***].

6.3.2. Common Materials. The purchase of Provider-Supplied Materials that are not Dedicated Materials ("**Common Materials**") will be based on Provider's inventory and will not require written authorization from Senti. The cost of Common

Materials will be calculated based on the quantity of Common Materials actually used in performing the Services.

6.3.3. Third Party Starting Material. Provider will use its Commercially Reasonable Efforts to [***]. The risk of loss for Third Party Starting Materials will at all times be borne by Provider.

6.4. **Equipment**.

6.4.1. Acquisition. Senti shall reimburse Provider for the acquisition, installation and validation of Dedicated Equipment in accordance with rates sets forth in the applicable Statement of Work; *provided*, that Senti will not be required to reimburse Provider for the costs of acquiring Dedicated Equipment under this Agreement if (a) Senti paid for such Dedicated Equipment directly and provided the Dedicated Equipment to Provider or (b) Senti has already reimbursed Provider for such costs prior to the effective date of the applicable Statement of Work. Unless otherwise agreed between the Parties, [***] will own all rights, title and interests in and to any and all Dedicated Equipment. If the Parties agree pursuant to a Statement of Work that Provider will use equipment that is necessary for performance of the Services under such SoW that is solely usable for and will be solely used for the performance of the Services for Senti, then such equipment will be deemed to be included in Dedicated Equipment.

6.4.2. Maintenance. Excluding any equipment owned by Senti that is made available to Provider for purposes of performing the Services, all equipment used by Provider to provide the Services will be maintained by Provider per Provider's standard maintenance program.

6.4.3. Disposal. In the event Senti no longer wishes to use any Senti-owned equipment that has been installed in the Facility or stored by Provider, and Provider notifies Senti that it wishes to purchase such equipment, the Parties shall enter into good faith negotiations on the terms of such purchase. If Provider does not purchase such equipment, Provider may notify Senti and the Parties shall discuss in good faith reasonable procedures for the removal of such equipment, and if Senti fails to remove the equipment within a reasonable time mutually agreed by the Parties (but in no event longer than [***] from the date of Provider's notice) at its cost, Provider may remove or otherwise dispose of such equipment and Senti shall reimburse Provider for such costs and pay reasonable storage fees.

7. PRICING AND PAYMENTS.

7.1. **Credit**. [***]. For clarity, [***]. The Parties may agree to [***].

7.2. **Prepayment**.

7.2.1. [***].

7.2.2. [***] on the Initial Closing Date (as defined in the Framework Agreement). The [***] will be applied, until exhausted, to any amount invoiced by Provider pursuant to the [***]. If, when all Services under the [***] have been completed and paid for (through [***]), there is any remaining [***], then such remaining [***]. Other than the [***], Senti shall [***]

7.3. **Pricing**.

7.3.1. Service Fees. Subject to Section 7.1 (Credit) and Section 7.2 (Prepayment), Senti will pay Provider the Service Fees as are set out in the applicable Statement of Work.

7.3.2. Batch Price. The Service Fees associated with the Manufacture of a Batch of Product will take the form of a Batch Price and the applicable Batch Price will be set forth in the Statement of Work. Unless specifically indicated to the contrary in the applicable Statement of Work, the Batch Price will be exclusive of all Out-of-Pocket Costs incurred for the Manufacture of such Batch.

7.3.3. Adjustments. Provider shall have the right to adjust the Service Fees set out in each SoW no more than [***]; provided that, for each SoW, no adjustment shall be made until after [***]. The percentage increase in the Service Fees shall not exceed [***].

7.4. **Out-of-Pocket Costs**. Unless otherwise stated in a Statement of Work, Out-of-Pocket Costs will be invoiced to Senti in accordance with Section 7.5 (Invoices), at the cost actually incurred by Provider as demonstrated by supporting documents, without markup. All such Out-Of-Pocket Costs that are invoiced will be documented in accordance with United States Generally Accepted Accounting Principles. If reasonably requested by Senti, Provider will provide reasonable additional documentation supporting such Out-of-Pocket Costs. Each Statement of Work will set forth an itemized estimate of the Out-of-Pocket Costs expected to be incurred under such Statement of Work. Such estimate shall be indicative only and without prejudice to Senti's obligation to pay actual Out-of-Pocket Costs incurred and invoiced pursuant to Section 7.5 (Invoices). Provider shall, where reasonably practicable, provide Senti with updates to the estimated costs prior to incurring such costs.

7.5. **Invoices**. Subject to Section 7.1 (Credit) and Section 7.2 (Prepayment), Provider will invoice Senti no later than [***] for Services conducted during such month and Out-of-Pocket Costs incurred during such month and will reference, in each such invoice, the Statement(s) of Work to which the invoice relates. Invoices for the Manufacture of a Batch of Product will state the reservation fee (which is a portion of the Batch Price) (the "**Reservation Fee**") (if any) charged by Provider per the relevant SoW and paid by Senti in accordance with Sections 5.1 (Forecast) and 5.2 (Booking). Invoices will be delivered to Senti by email to the following email address: [***], or to such other email address as Senti may notify Provider from time to time in accordance with Section 17.9 (Notices).

7.6. **Payments and Payment Terms**. Senti may make payments pursuant to this Agreement by check or wire transfer to a bank account designated in writing by Provider. Senti shall make payment for all undisputed invoices without set off or any other deduction (subject to Sections 7.1, 7.2 and 7.11), no later than [***] following receipt of the invoice or such other period as may be specified in this Agreement or the applicable Statement of Work (the "**Payment Period**"). Senti may in good faith dispute invoiced charges; *provided* that Senti notifies Provider of such dispute within [***] from the date of receipt of the invoice and pays all undisputed charges to Provider in accordance with the terms of this Agreement. If a billing dispute arises and cannot be resolved within [***] of the date of the relevant invoice through normal business channels, Provider and Senti agree to use the dispute resolution process as specified in Section 17.10.2 (Dispute Resolution). Amounts subject to good faith dispute shall not be payable during the pendency of such dispute, and any amount that is agreed or determined to be due shall be payable within [***] after the resolution of such dispute. In the even [***], Senti shall [***]

7.7. **Late Payments**. Any invoiced amounts that are not paid when due shall accrue interest calculated at [***] per month (or part thereof) from the due date until Provider receives the entire amount owing (including interest).

7.8. **Records; Financial/Accounting Audit**. Provider will create and maintain complete and accurate records relating to the Services provided hereunder, in accordance with generally-accepted accounting principles. Upon reasonable prior notice, such records shall be available during regular business hours for a period of [***] from the end of the calendar year to which they pertain for examination, not more often than once each calendar year, by an independent certified public accountant selected by Senti and reasonably acceptable to Provider, for the sole purpose of verifying the accuracy of the invoices and supporting documentation furnished by Provider pursuant to this Agreement, in connection with Out-Of-Pocket Costs. Any such auditor shall enter into a confidentiality agreement with Provider and shall not disclose the Confidential Information of Provider, except to the extent such disclosure is necessary to verify the accuracy of the invoices and supporting documentation furnished by Provider. Any amounts shown to be owed but unpaid shall be paid, and any amounts showed to be overpaid will be refunded, within [***] from the accountant's report. Senti shall bear the full cost of such audit unless such audit discloses an overcharge by Provider of more than [***] of the amount due for the audited period, in which case Provider shall bear the reasonable cost of such audit.

7.9. **Reporting**. Within [***] after the end of each calendar quarter, Provider will provide to Senti a report setting forth: (a) the total amounts invoiced to Senti under each Statement of Work, broken into Services Fees and Out-of-Pocket Costs; (b) the amount of the Credit and the Prepayment (or [***], as applicable) that have been applied to each category of invoiced amounts; and (c) the balance of the Credit, the Prepayment and the [***].

7.10. **Currency**. All amounts specified in this Agreement are in United States dollars, and, unless otherwise specified on an invoice, all payments under this Agreement shall be made in United States dollars.

7.11. **Taxes**. All taxes (including, but not limited to duty, sales, use, or excise taxes imposed by any Governmental Entity, but excluding any taxes due based upon the income of Provider) that apply to or result from the Services will be the sole liability and responsibility of Senti. Unless otherwise required by Laws, Senti will not deduct any withholding taxes or other taxes imposed by any Governmental Entity from any payment to Provider hereunder. Senti will advise Provider if it is required to deduct any withholding taxes or other taxes imposed by any Governmental Entity from any payment to Provider hereunder and Provider will, with Senti's assistance, apply for a certificate of exemption from withholding or other tax from the applicable Governmental Entities. Notwithstanding the foregoing, Provider is solely responsible for its income tax resulting from all compensation received by Provider from Senti under this Agreement.

8. SENTI RESPONSIBILITIES.

8.1. Except as otherwise provided in a Statement of Work, Senti will be responsible for:

8.1.1. Obtaining all Regulatory Approvals, without prejudice to Provider's obligation to perform any Services for regulatory compliance assistance agreed in the applicable Statement of Work in accordance with such SoW and the Quality Agreement and;

8.1.2. Informing Provider in writing of any changes in the Territory that affect the Services as far in advance as reasonably practicable before such change is implemented. For clarity, no such change in the Territory shall require the approval of Provider except [***], in which case [***];

8.1.3. Final release of each Batch and determining the suitability of each Batch for use, subject to Provider's delivery of complete and accurate Batch Documentation and other documentation as required under the Quality Agreement with respect thereto;

8.1.4. Use of the Product by or on behalf of Senti or its Affiliates (other than by or on behalf of Provider) in accordance with all Laws in the Territory;

8.1.5. Creating and approving the content of any label that will be applied to Product by Provider in accordance with Laws and obtaining Regulatory Approval for such labels and content;

8.1.6. Establishing and providing Product specifications, storage conditions and shelf-life;

8.1.7. Complying with all Laws that relate to the handling, transport, distribution, sale and use of any Product or Senti Supplies by or on behalf of Senti or its Affiliates (other than by or on behalf of Provider).

8.2. For clarity, Section 8.1 shall not relieve Provider of any of its obligations under this Agreement, the Quality Agreement or any Statement of Work, and, accordingly, in the event of a conflict between Section 8.1 and any other provision of this Agreement, the Quality Agreement or a Statement of Work that expressly imposes any responsibility (sole or otherwise) for a particular activity or matter on Provider, such other provision shall control.

9. TECH TRANSFER; ENGINEERING BATCHES.

9.1. **Technology Transfer to Provider**. If, and to the extent, contemplated by a Statement of Work, the Parties agree to the following with respect to a technology transfer from Senti to Provider in connection with the initiation of process development or Manufacturing of Product:

9.1.1. Transfer to Facility. The Parties expressly agree that they will work together to transfer Senti's preexisting Manufacturing Process for the Product to the applicable Facility, including implementing the technology transfer plan set forth in the applicable Statement of Work. In the event of [***].

9.1.2. Master Batch Record. Based on the information provided by Senti and including process changes developed by or on behalf of Provider pursuant to an applicable Statement of Work (if any), Provider will prepare the Master Batch Record for the Manufacturing Process for each Product, which shall be subject to Senti's written approval pursuant to Section 9.1.4 (Senti Approval). Senti will inform Provider of any specific requirements Senti may have relating to the Master Batch Record, including any information or procedures Senti wishes to have incorporated therein in accordance with Section 9.1.3 (Senti Assistance).

9.1.3. Senti Assistance. Senti will assist Provider in developing the Master Batch Record, including by providing Provider with additional information and procedures as may be required to create the Master Batch Record, such as the following, to the extent applicable: (a) Manufacturing Process information, standard operating procedures and development reports, (b) quality control assays, (c) raw material specifications (including vendor, grade and sampling/testing requirements), (d) Product and sample packaging and shipping instructions, (e) Product-specific cleaning and decontamination information and (f) waste disposal information. Provider may take

information for (e) above under advisement but shall not be obligated to incorporate any such information into the Master Batch Record.

9.1.4. Senti Approval. Provider will deliver a draft of the Master Batch Record for each Product to Senti for its review and written approval, which draft may omit Provider Operating Documents and other Confidential Information of Provider that are not specifically applicable to the Manufacture of such Product. Senti will review such draft and notify Provider in writing of any objections that it has to such draft, and upon such notification, representatives of Provider and Senti will meet promptly to resolve such objections. Following such meeting, Provider shall prepare and deliver a revised draft of the Master Batch Record to Senti for its review and written approval (such approval not to be unreasonably withheld). Upon Senti's written acceptance of such draft, such draft will be deemed approved by Senti.

9.2. **Specifications and Manufacturing Process**. The Parties acknowledge and agree that at the Effective Date, the Product Specifications and Manufacturing Processes for the Products to be Manufactured under the Phase 1 SoWs are under development. Such Product Specifications and Manufacturing Processes will not be considered [***]. With respect to any SoW other than the Phase 1 SoWs, if such SoW requires a technology transfer from Senti to Provider, [***]. Accordingly, with respect to any test in the release criteria for a Product that [***], Provider shall [***].

9.3. **Engineering Batches**. For purposes of this Agreement, an "**Engineering Batch**" means a Batch that is not specified in the applicable Statement of Work or Purchase Order for Manufacture in accordance with GMP. Provider will Manufacture Engineering Batches as provided in the applicable Statement of Work. There will be no acceptance criteria or other specifications for purposes of acceptance of Engineering Batches, but the Parties may agree on certain target quality attributes in the applicable Statement of Work. Provider will provide analytical testing of Engineering Batches as agreed by the Parties in the applicable Statement of Work and will report the results to Senti. Provided Senti makes written request in advance of the applicable Manufacturing run and reimburses Provider for all costs of shipping of the Engineering Batch, such Engineering Batches will be provided to Senti subject to compliance with applicable regulatory requirements. Senti will have the right to make whatever further use of such Engineering Batches as it will determine; *provided* that such use does not violate any Laws. If [***] Engineering Batch [***] such results [***], *provided, however*, that if the Engineering Batch is [***], Provider will [***].

10. GMP MANUFACTURE, PACKAGING AND DELIVERY.

10.1. **Manufacturing Site**. Each Product Manufactured by or on behalf of Provider and supplied to Senti in accordance with cGMP will be Manufactured at the Facility identified in the applicable Statement of Work.

10.2. **Purchase Ordering**. The Parties will agree upon a form of purchase order to be used by Senti in ordering Products and Batches hereunder (each such purchase order submitted hereunder, a "**Purchase Order**"). The form of Purchase Order shall not include any terms or conditions that are additional to, or inconsistent with, those set out in this Agreement. At the applicable time consistent with the terms of each Statement of Work, Senti may from time to time submit Purchase Orders to Provider for Manufacture and delivery of Batches of Product. Any Purchase Order not exceeding the capacity reserved for the appliable SoW in accordance with Section 5.2 (Booking) shall be deemed automatically accepted by Provider upon Provider's receipt of such Purchase Order. Upon acceptance by Provider, the Purchase Order will become a part of the Agreement constituted by the relevant SoW. Provider may, but shall have no obligation to, accept

any Purchase Orders that exceed the capacity reserved for Senti for the appliable SoW in accordance with Section 5.2 (Booking).

10.3. **Batch Documentation**. With respect to each Batch, Provider will provide Senti with a copy of each document in the Batch Documentation for such Batch on a rolling basis as Provider reasonably determines such document is ready to be shared. Following completion of each Batch, Provider will provide Senti with a copy of all applicable Batch Documentation not previously shared. All Batch Documentation will be in Provider's standard formats unless otherwise mutually agreed in writing by the Parties. Any Senti requests for documents or other work product related to Batch Documentation that are not specified or contemplated in the applicable Statement of Work or the Quality Agreement and are not produced by Provider in the ordinary course of business must be agreed upon in writing in the form of a Change Order or a separate agreement for such additional services, and Provider will not be obligated with respect thereto unless and until so agreed.

10.4. **Batch Failure**. In the event any Batch is [***] hereunder (each, a "**Failed Batch**"), Provider will conduct an appropriate investigation to determine the cause of such failure (which investigation shall include an impact assessment on products that Provider or Senti reasonably believes may be an Impacted Product at the relevant time), [***] disclose to Senti the results of such investigation, and notify Senti in writing of Provider's good faith conclusions regarding the cause of the nonconformity. If Provider determines that [***], then, in each case, Senti will have the remedies set forth in Section 10.6 (Remedies).

10.5. **Product Conformity**. Subject to Section 9.3 (Engineering Batches), unless within [***] from the date of delivery of the Batch Documentation and any other documentation required by the Quality Agreement for Provider to disposition the Product (the "**Inspection Period**"), Senti notifies Provider in writing ("**Exception Notice**") that such Product does not comply with the Product Requirements ("**Nonconforming Product**"), then such Product will be deemed to have been accepted, except in the case of a Latent Defect. In the case of a Batch having any Latent Defect, Senti may reject such Batch by delivering an Exception Notice to Provider of Senti's rejection thereof within [***], but such Exception Notice [***]. Upon timely receipt of an Exception Notice from Senti, Provider will conduct an appropriate investigation to determine whether or not it agrees with Senti that the applicable Product is Nonconforming Product and to determine in good faith the cause of any nonconformity (which investigation shall include an impact assessment on products that Provider or Senti reasonably believes may be an Impacted Product at the relevant time), disclose to Senti the results of such investigation, and notify Senti in writing of Provider's good faith conclusions regarding the cause of the nonconformity. If Provider agrees, or if an independent investigation or analysis conducted pursuant to Section 10.7 (Disputes as to Failed Batches or Product Conformity) determines [***], then Senti shall have the remedies set forth in Section 10.6 (Remedies).

10.6. **Remedies**. In the event of a Failed Batch or a Nonconforming Product [***], subject to Section 5.4 (Supply Failure), Provider will, at Senti's option, either (a) [***], or (b) [***]In the event of a Failed Batch or a Nonconforming Product [***], Provider will, upon Senti's request, [***]. The Parties will [***], unless the Batch was Manufactured [***], in which case [***]. The Manufacture of replacement Product pursuant to this Section 10.6 (Remedies) will be scheduled as soon as commercially reasonable (given Provider's available capacity and existing commitments) following receipt of the necessary raw materials, including Senti Supplies, to Manufacture such Product, determination of the root cause of such failure, and the implementation of a corrective action plan with respect to such failure. For clarity, this Section 10.6 (Remedies) does not apply to Engineering Batches; remedies with respect to Engineering Batches are provided in Section 9.3 (Engineering Batches). Without prejudice to the indemnities set out in

Section 14.1.1 (Provider Indemnification), the remedies under this Section 10.6 (Remedies) shall be Senti's sole remedies and Provider's sole liability in connection with any Failed Batch or Nonconforming Product. Provider shall have no obligation to remedy a Failed Batch or Product Nonconformity under this Section 10.6 (Remedies) if [***].

10.7. **Disputes as to Failed Batches or Product Conformity**. If the Parties disagree as to whether a Product is a Nonconforming Product or whether the cause of a Failed Batch or a Nonconforming Product is [***], and such disagreement is not resolved by good faith negotiation between the Parties within [***] of the date of delivery of the Exception Notice or the determination of a Failed Batch (as applicable), then the Parties will cause an independent mutually appointed reputable external party (such person or laboratory, the "**External Party**") to perform an assessment. Absent fraud or manifest error of the External Party, the determination of the External Party as to whether or not such Product is a Nonconforming Product and the cause of any Failed Batch or Nonconforming Product will be binding upon the Parties (absent manifest error or bad faith on the part of the External Party) for purposes of determining financial liability hereunder. Notwithstanding the foregoing, Senti will not release any Product that has been deemed to be Nonconforming Product unless Senti's material review board has approved the release and Senti has made the necessary Regulatory Authority communications and submissions and such release is permitted under the applicable Laws. Unless otherwise agreed by the Parties in writing, the costs associated with the External Party's testing and review will be (a) [***], (b) [***], or (c) [***]. For the avoidance of doubt, where the cause of nonconformity or failure cannot be determined or assigned, [***].

10.8. **Product Testing**. Product testing by Provider will be performed or subcontracted as specified in the applicable Statement of Work or Quality Agreement. For any such testing that is specified to be the responsibility of Senti, Provider will deliver samples to Senti or Senti's designee as specified in the applicable Statement of Work or Quality Agreement. The test results for any such Senti-managed or Senti-performed Product testing will be documented on a Senti-generated Certificate of Analysis, independent of any Batch Documentation generated by or on behalf of Provider.

10.9. **Stability Testing**. Provider will perform Product stability testing only if authorized by Senti and will not be obligated to perform it unless specified in the applicable Statement of Work.

10.10. **Product Packaging**. If specified in the applicable Statement of Work, Provider will label and package Product in accordance with the instructions provided or authorized by Senti.

10.11. **Product Storage**. Provider or its approved subcontractor will store Products under the Senti-specified GxP storage conditions until each applicable Batch is released by Provider's quality assurance unit or until the expiry of such periods as set forth in the applicable SOW. Senti is responsible for making arrangements for Products to be transferred to its long-term storage and distribution facility upon release, unless otherwise provided in the applicable SoW.

10.12. **Shipping and Cartage**. If specified in the relevant SoW, Products will be packed by Provider for shipment and cartage in accordance with the Shipping Guidelines. Senti will be responsible for and will reimburse Provider for all Out-of-Pocket Costs of packaging, boxing and shipping for Products in accordance with the Shipping Guidelines.

10.13. **Delivery; Risk of Loss; Title**. For each Batch of Product, Provider will deliver to Senti the corresponding samples, Batch Documentation and any other documentation required by the Quality Agreement for Provider to disposition the Product. Provider will deliver all Product, raw materials and components, samples and other Deliverables to be

delivered pursuant to this Agreement [***] indicated in the applicable Statement of Work. To the extent not already held by Senti, risk of loss and damage will transfer to Senti upon [***] and title will transfer to Senti [***]. If Provider provides storage services as provided in the applicable SoW, then risk of loss and title to stored items will pass to Senti upon [***] (subject to [***].

11. QUALITY AND REGULATORY MATTERS.

11.1. **Quality Agreement**. The Quality Agreement shall be reviewed and updated as appropriate, but no less than every [***], or other periods as provided herein or therein. For the avoidance of doubt, unless otherwise agreed in writing by the Parties, no GMP work may commence absent the establishment of a Quality Agreement with respect thereto.

11.2. **Regulatory Support**. Except as otherwise expressly set forth herein, Senti shall be responsible for all filings necessary for approval to conduct clinical trials of and market Products. Provider will provide to Senti such Services as stated in the applicable SoW for cooperation with reporting obligations and/or the provision of information relating to the Product or the Manufacture, including the Manufacturing Process, thereof as may be necessary or useful for Senti to apply for, obtain and maintain Regulatory Approvals for each Product in any country or regulatory jurisdiction, including, without limitation, information relating to the Facilities, or the process, methodology, raw materials and intermediates used in the Manufacture of each Product and all information required to be submitted in the CMC section of an IND or a BLA or other regulatory filings, or required or requested to be provided to any Regulatory Authority. No later than [***] or such shorter period as may be required under relevant regulations following completion or permanent cessation of the Services at the applicable Facility, Senti shall: (a) file an update to any applicable regulatory filings relating to the Product to indicate a change in manufacturer; and (b) provide to Provider written confirmation of its compliance with this sentence.

11.3. **Maintenance of CMC Section**. As between the Parties, unless otherwise provided in that certain Transition Services Agreement between the Parties dated the Effective Date (as may be amended, restated, supplemented or modified from time to time) (the "**TSA**"), Senti is responsible for preparing and filing all submissions for the Regulatory Approval of Products. Provider will provide to Senti such Services as stated in the applicable SoW for assistance in preparing, maintaining or updating the CMC section of any such regulatory application filed for a Product with a Regulatory Authority. The following terms shall apply to such Services (unless otherwise stated in the SoW): with respect to each Product Manufactured hereunder, prior to submitting to each Regulatory Authority for the first time any filing that identifies Provider as a site of manufacture of such Product, Senti will submit the relevant portions of such filing to Provider for review and comment. In addition, prior to submitting to each Regulatory Authority the CMC section (or any material change thereto) of any application for Regulatory Approval of a Product or a Senti Product that pertains to the Services rendered by or on behalf of Provider, Senti will submit such CMC section (or portion thereof pertaining to the Services rendered by or on behalf of Provider) for review by Provider. Provider will have a reasonable period to review and comment on such proposed submission. In connection with a filing for Regulatory Approval of a Product, Provider will provide the applicable Provider Operating Documents directly to the Regulatory Authority when possible and provide to such Regulatory Authority and Senti written authorization to reference and use the information contained in such Provider Operating Documents for such purpose, and to the extent that Provider cannot so provide such Provider Operating Documents, such documents shall be provided under strict confidentiality (subject to a separate confidentiality undertaking between Provider and Senti) to the appropriate persons

(regulatory affairs) at Senti for submission to the Regulatory Authority, subject to Provider's rights to review the submission detailed above.

11.4. **Regulatory Compliance**. Provider will obtain and maintain (a) all permits and licenses with respect to general Facility operations required by any Regulatory Authority in the jurisdiction in which such Facility is located, including the California Department of Public Health Drug Manufacturing License, (b) all other approvals, authorizations, certificates and permits required by Laws relating to Provider-Supplied Materials, including those relating to the import, export, handling, transport, and use of Provider-Supplied Materials. Senti will obtain and maintain all other approvals, authorizations, certificates and permits required by Laws relating to Product, Senti Product and Senti Supplies, including those relating to the import, export, handling, transport, distribution, sale and use of Product, Senti Product and Senti Supplies, provided that, at Senti's request and expense, Provider will assist Senti in obtaining export clearance for Product by providing information in Provider's possession that is necessary therefor. Senti will reimburse Provider for any payments Provider is required to make to any Regulatory Authority pursuant to Laws resulting from Provider's formulation, development, Manufacturing, storing, or testing of Product, Third Party Starting Materials or Senti Supplies at a Facility under and related to this Agreement and any Statement of Work, to the extent such payments (i) are specific to a Product, Third Party Starting Materials that are solely for use in the Services, or Senti Supplies, (ii) are not applicable more broadly to the qualification, maintenance or operation of the Facility or Provider's conduct of formulation, development, manufacturing, storing, or testing of any other product, materials or supplies, and (iii) are not attributable to any failure by Provider or its Affiliate or subcontractors to comply with applicable Laws, this Agreement, the applicable Statement of Work or the Quality Agreement. During the Term, Provider will assist Senti with regulatory matters relating to the Manufacture of Product pursuant to the applicable Statement of Work, at Senti's request and expense.

11.5. **Right to Observe**.

11.5.1. **Observation**. Subject to the provisions of this Section 11.5 (Right to Observe) and Schedule 11.5.2, Senti may [***] the Manufacture, testing, and quality control and assurance of the Products at the applicable Facility (the "**Observation**") in accordance with Provider's reasonable policies, procedures, conditions, schedules and rules that Provider notifies to Senti from time to time ("**Observation Policies**").

11.5.2. **Conduct of Observation**. The Observation will be conducted during [***] and as more particularly set out in the Observation Policies, and will be subject to the following requirements:

(a) each PIP will comply with all Laws and any Observation Policies, including those relating to access, health and safety, GxP and customer confidentiality;

(b) Provider may remove any PIP from a Facility at any time if such PIP fails to comply with the requirements of this Section 11.5.2 (Conduct of Observation), including any Observation Policies or the reasonable directions of any Provider personnel while attending a Facility; and

(c) if the records to be reviewed by Senti in connection with an Observation include any Confidential Information of Provider that is not relevant to the Manufacture, testing, and quality control and assurance of Product at the applicable Facility, Provider may redact such records prior to disclosing them to Senti solely to the extent such information is not relevant to Services provided by or on behalf of Provider to Senti; and if the records to

be reviewed by Senti in connection with an Observation include any confidential information of a Third Party that Provider does not have authority to disclose to Senti, Provider may redact such records prior to disclosing them to Senti. Nothing in this Section 11.5 (Right to Observe) shall require Provider to produce to Senti or the PIP any information that is not relevant to Services provided by or on behalf of Provider to Senti.

11.6. **Compliance Audit.** Senti may conduct or cause Senti's Representative(s) to conduct at the Facility where a Product is manufactured, a quality or compliance audit in accordance with the terms of the Quality Agreement.

11.7. **Regulatory Inspections**.

11.7.1. Non-Product-Specific Regulatory Inspections. If Provider receives a notice of inspection, oral inquiry, or visit from a Regulatory Authority within the Territory which is not specific to any Product but relates to the Services being conducted under a Statement of Work, Provider will inform Senti in accordance with the terms of the Quality Agreement.

11.7.2. Product-Specific Regulatory Inspections.

(a) Senti Obligations. Senti will inform Provider of any written communications, correspondence or reports received by Senti from or sent by Senti to a Regulatory Authority containing observations relating to Provider or the Manufacture of any Product in accordance with the terms specified in the Quality Agreement.

(d) Preparation and Participation. Provider will assist Senti with any regulatory inspection that is specific to the Product. Provider shall charge Senti for the preparation and hosting of regulatory inspections which are specific to any Product (and not Provider's general manufacturing processes or facilities) at Provider's then-current standard rates. At the request of Provider, Senti will help prepare for and participate in such inspections.

(e) Regulatory Authority Observations. Provider will notify Senti in writing of all observations identified by any inspections by a Regulatory Authority that would reasonably be expected to affect Provider's ability to Manufacture a Product, the Regulatory Approval of a Product or Senti Product, or Product quality, safety or efficacy. Provider shall provide Senti with copies of all correspondence, reports and forms received by or on behalf of Provider from any Regulatory Authority related to a Product, Senti Product or the Manufacture of a Product, including the Manufacturing Process. Provider will provide Senti with a draft response to any such observations for Senti's review and comment prior to submission to the Regulatory Authority, and Provider will give good faith consideration to any timely comments provided by Senti. Provider will provide Senti with a copy of Provider's response to such inspection findings no later than [***] after Provider submits such response to the applicable Regulatory Authority.

11.8. **Record Retention**. Provider will retain copies of all Batch Documentation, and all other records or documentation generated by it in connection with the Manufacture and testing of the Product under this Agreement that may be reasonably necessary to assist Senti in the event of a Product stock recovery, recall, adverse drug event or complaint, in accordance with Provider's standard operating procedures and applicable Laws for at least [***] after expiration or termination of this Agreement or for such period required by Law, whichever is longer.

11.9. **Anti-Corruption Laws**. Each Party will, and will cause its Representatives and its subcontractors performing any Services or obligations hereunder to, comply with the U.S. Customs & Trade Partnership Against Terrorism (CTPAT) and with applicable laws and regulations relating to anti-corruption and anti-bribery, including the U.S. Foreign Corrupt Practices Act, the United Kingdom Bribery Act 2010 and any implementing legislation under the OECD Convention Against the Bribery of Foreign Officials in International Business Transactions (collectively, the "**Anti-Corruption Laws**"), and will immediately notify the other Party of any violation thereof. Each Party represents and warrants that it will not, and will cause its Representatives and anyone acting on its behalf not to, give, offer, agree or promise to give, or authorize the giving directly or indirectly, of any money or other thing of value to anyone as an inducement or reward for favorable action or forbearance from action or the exercise of influence: (a) to any governmental official or employee of any Governmental Entity (including employees of government-owned and government-controlled corporations or agencies); (b) to any political party, official of a political party, or candidate; (c) to an intermediary for payment to any of the foregoing; or (d) to any other Person in a corrupt or improper effort to obtain or retain business or any commercial advantage, such as receiving a permit or license.

12. INTELLECTUAL PROPERTY RIGHTS.

12.1. **Senti Intellectual Property**.

12.1.1. Senti IP. As between the Parties, all rights, title and interests in, to and under Intellectual Property: (a) owned or controlled by Senti or any of its Affiliates as of the Effective Date or (b) created or acquired independently of this Agreement by or on behalf of Senti or its Affiliates (other than by or on behalf of Provider) during the Term (collectively, clauses (a) and (b), "**Senti IP**") will remain solely with Senti, and no right or interest therein is transferred or granted to Provider pursuant to this Agreement except as set forth in Section 6.1.8 (Senti Supplies) and Section 12.1.3 (License from Senti).

12.1.2. Senti Inventions. Senti will own all rights, title and interests in, to and under any and all Inventions, other than Provider Inventions, that are discovered, first conceived, made, developed or generated by or on behalf of Provider or its Affiliates, whether solely or jointly with Senti or its Affiliates, in performing the activities under this Agreement, including all Intellectual Property in and to any of the foregoing (collectively, "**Senti Inventions**"). Provider hereby irrevocably assigns and transfers to Senti all of Provider's rights, title and interests in and to all Senti Inventions. Provider will execute and deliver to Senti, and shall require its Representatives involved in the performance of the Services to execute and deliver to Senti, any assignments or other documents reasonably required to effectuate the foregoing assignment, to perfect, record or evidence Senti's sole ownership of the Senti Inventions, or to apply for, prosecute, maintain, enforce or defend any patent or other right in the Senti Inventions, at Senti's request and expense at reasonable rates mutually agreed by the Parties in writing.

12.1.3. License from Senti. Senti hereby grants Provider and its Affiliates a non-exclusive, fully-paid, non-transferable (except as provided in Section 17.7 (Assignment)) license (with the right to sublicense solely to permitted subcontractors) under that portion of the Senti IP and Senti Inventions that, in each case, is necessary to perform the Services, solely to perform the Services in accordance with the terms of this Agreement during the Term.

12.1.4. Covenant not to sue. Senti hereby agrees not to pursue any claim, demand, action or other proceeding against Provider or its subcontractors to the extent based on any

claim that Provider's (or its subcontractors') use of Senti IP and Senti Inventions that, in each case, [***]. As used in this Section 12.1.4 (Covenant not to sue), the "**Permitted Services**" means any services [***] to the extent such services are (i) [***], or (ii) [***] Notwithstanding the foregoing in this Section 12.1.4 (Covenant not to sue), the foregoing covenant not to sue will only apply with respect to [***].

12.2. **Provider Intellectual Property**.

12.2.1. Provider IP. As between the Parties, all rights, title and interests in, to and under Intellectual Property owned or controlled by Provider or any of its Affiliates as of the Effective Date, or created or acquired independently of this Agreement by or on behalf of Provider or its Affiliates during the Term ("**Provider IP**") will remain solely with Provider, and no right or interest therein is transferred or granted to Senti hereby except as set forth in Section 12.2.3 (License from Provider). For clarity, any Intellectual Property licensed by Senti to Provider under this Agreement or any other agreement between the Parties will be deemed Senti IP and not Provider IP.

12.2.2. Provider Inventions. Provider shall own all rights, title and interests in, to and under any and all Inventions that are discovered, first conceived, made, developed or generated solely by or on behalf of Provider or its Affiliates in performing the activities under this Agreement, and that (a) [***]; and (b) [***] (collectively, "**Provider Inventions**").

12.2.3. License from Provider. Subject to agreements between Provider and Third Parties (but excluding any subcontractor of Provider) in connection with relevant in-licensed technology, Provider hereby grants to Senti a non-exclusive, fully-paid up, royalty-free, worldwide, non-transferable (except as provided in Section 17.7 (Assignment)), irrevocable, perpetual license, with the right to grant sublicenses through multiple tiers, under the Provider Inventions, Provider IP and Subcontractor IP incorporated into any Product, Deliverable or Manufacturing Process, solely to develop, make, have made, use, sell, offer to sell, have sold, import and otherwise exploit Products and other Deliverables. For the avoidance of doubt, the grant of such license shall be [***]

12.3. **Technology Transfer to Senti**.

12.3.1. At any time and from time to time during or within [***] after (i) [***], (ii) [***], or (iii) [***] Senti shall have the right, upon written request to Provider, [***], a manufacturing technology transfer to Senti or its designee of the then current Manufacturing Process, including analytical methods and other quality control testing, for the relevant Product [***] with respect to which Provider (or its Affiliate or subcontractor) has performed Services hereunder (a "**Manufacturing Technology Transfer**") in accordance with this Section 12.4 (Technology Transfer to Senti). Provider may redact any of its Confidential Information related to the Facility or its other customers from any transferred documents.

12.3.2. For any Manufacturing Technology Transfer requested by Senti, the Parties will [***] enter into a mutually agreed technology transfer plan, for Provider to provide to Senti or a Third Party contract manufacturing organization designated by Senti the Manufacturing information, [***]. Following the execution of such plan, the Parties will conduct technology transfer activities in accordance with such plan. Provider will transfer [***] Senti will be responsible for all other reasonable costs incurred by Provider in the conduct of such technology transfer activities, except that if such technology transfer occurs after (i) [***], (ii) [***] or (iii) [***]), Senti will only be responsible for the costs incurred by Provider to perform [***], and Provider will not be responsible for the costs incurred by Senti or Senti's Third Party designee.

12.4. **Third Party Intellectual Property**. Save as agreed in the relevant SoW, or as agreed by Senti in writing in connection with Senti's approval of the Product Specifications or Manufacturing Process, Provider shall not knowingly incorporate any Intellectual Property of a Third Party into any Manufacturing Process, Deliverables or Product without Senti's prior written consent, which may be granted or withheld in Senti's sole discretion.

13. REPRESENTATIONS, WARRANTIES AND COVENANTS.

13.1. **Mutual Representations and Warranties**. Each Party represents and warrants to the other Party that (a) such Party is duly organized, validly existing, and in good standing under the Laws of the place of its establishment or incorporation, (b) such Party has taken all action necessary to authorize it to enter into this Agreement and perform its obligations under this Agreement, (c) this Agreement will constitute the legal, valid and binding obligation of such party, and (d) neither the execution of this Agreement nor the performance of such Party's obligations hereunder will conflict with, result in a breach of, or constitute a default under any provision of the organizational documents of such Party, or of any Law, authorization or approval of any governmental entity, or of any agreement to which it is a Party or by which it is bound.

13.2. **Provider Representations, Warranties and Covenants**. Provider hereby represents, warrants and covenants, as applicable, to Senti that:

13.2.1. the Services will be performed in a diligent and professional manner by individuals who are appropriately trained and qualified and in compliance with applicable Laws;

13.2.2. each Batch of Product (excluding all Engineering Batches) delivered hereunder will be Manufactured in accordance with the relevant Master Batch Record and Manufactured and stored in compliance with all applicable Laws (including GxP) and subject to Section 9.2, at the time of delivery by Provider, will conform to the applicable Product Specifications, provided that any breach of this Section 13.2.2 shall be resolved in accordance with Section 5.4 (Supply Failure), Section 10.4 (Batch Failure), Section 10.5 (Product Nonconformity) and Section 10.6 (Remedies), and without prejudice to Section 14.1.1, shall not give rise to a separate claim under this Agreement or any relevant SoWs;

13.2.3. title to each Batch of Product shall pass to Senti at the time specified in Section 10.13 (Delivery; Risk of Loss; Title), free and clear of all encumbrances;

13.2.4. Provider's operations have been conducted and shall be conducted in compliance with applicable financial recordkeeping and reporting requirements of the U.S. Currency and Foreign Transaction Reporting Act of 1970, as amended, the U.S. Money Laundering Control Act of 1986, as amended, the Anti-Money Laundering Act of 2020, as amended, and all money laundering-related laws of other jurisdictions where Provider conducts business or owns assets, and any related or similar Law issued, administered or enforced by any Governmental Entity (collectively, the "**Money Laundering Laws**") and Provider will immediately notify Senti of any violation thereof. No proceeding by or before any Governmental Entity involving Provider with respect to the Money Laundering Laws is pending or, to the knowledge of the Provider, is threatened;

13.2.5. neither Provider nor any of Provider's Affiliates nor any of their respective directors, officers or employees is subject to any sanction administered by the Office of Foreign Assets Control of the United States Treasury Department ("**U.S. Economic Sanctions**"), and Provider and its Representations do not and will not make any

sales to or engage in business activities with or for the benefit of, and will not use any amounts payable under this Agreement for the purposes of financing the activities of, any persons and countries that are subject to U.S. Economic Sanctions, including any "Specially Designated Nationals and Blocked Persons" as defined therein; and

13.2.6. it will not employ or use the services of any individual or entity who is debarred as mandated or authorized by 21 U.S.C. § 335a, and it will promptly notify Senti in writing if any of its employees or any individual or entity that is or has been involved in the performance of Services or that are or have been engaged in the Manufacture of Product become debarred as mandated or authorized by 21 U.S.C. § 335a.

13.3. **DISCLAIMER**. EXCEPT FOR THE EXPRESS WARRANTIES STATED IN THIS AGREEMENT, PROVIDER MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

13.4. **Senti Representations, Warranties and Covenants**. Senti hereby represents, warrants and covenants, as applicable, to Provider that:

13.4.1. for each Project, Senti has (or will have) the right to supply to Provider or allow Provider the use of, for purposes of Provider's performance of the Services in accordance with this Agreement and the applicable Statement of Work, the Senti Supplies (other than Senti Supplies Manufactured by Provider) Senti Confidential Information and other information that such Statement of Work specifies are to be supplied or provided by Senti to Provider, and any Intellectual Property licensed pursuant to Sections 6.1.8 and 12.1.3 (License from Senti), for use in the performance of the applicable Services in accordance with this Agreement and the applicable Statement of Work;

13.4.2. the Senti Supplies (excluding Senti Supplies supplied by Provider), at the time of delivery by Senti to Provider, are conformant with specifications and qualified to be used for Manufacture in accordance with applicable GMPs and applicable Laws, to the extent so specified in the applicable SoW;

13.4.3. as of the Effective Date, there are no actual or pending, and Senti has not received any written communication alleging or threatening any, adverse actions, suits, claims or formal investigations by a Governmental Entity, or settlements or judgments, involving the Product or Senti Product, by or against Senti or any of its Affiliates in or before a Governmental Entity, or for product liability involving the use or administration of any Product or Senti Product;

13.4.4. as of the Effective Date, there is no litigation pending against Senti or any of its Affiliates that alleges that the making, use, sale, offering for sale or import of a Product infringes, misappropriates or violates the Intellectual Property of any Third Party and Senti has not received any written notice alleging any such infringement, misappropriation or violation;

13.4.5. Senti's operations have been conducted and shall be conducted in compliance with applicable financial recordkeeping and reporting requirements of the Money Laundering Laws and Senti will immediately notify Provider of any violation or potential violation thereof. No proceeding by or before any Governmental Entity involving Senti with respect to the Money Laundering Laws is pending or, to the knowledge of the Senti, is threatened;

13.4.6. neither Senti nor any of Senti's Affiliates nor any of their respective directors, officers or employees is subject to any U.S. Economic Sanctions and does not and will not make any sales to or engage in business activities with or for the benefit of, and will not use any amounts payable under the proposed agreement/relationship for the purposes of financing the activities of, any persons and countries that are subject to U.S. Economic Sanctions, including any "Specially Designated Nationals and Blocked Persons" as defined therein.

13.5. **DISCLAIMER**. EXCEPT FOR THE EXPRESS WARRANTIES STATED IN THIS AGREEMENT, SENTI MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

14. INDEMNIFICATION; INSURANCE.

14.1. Indemnification.

14.1.1. Provider Indemnification. Provider will indemnify, defend and hold harmless Senti, its Affiliates, and its and their respective directors, officers, employees, representatives, agents, successors and assigns (collectively, the "**Senti Indemnitees**") from and against any and all losses, damages, liabilities, fees, judgments, taxes, awards, expenses and costs, including reasonable attorneys' fees ("**Losses**") to which any such Senti Indemnitee may become subject as a result of any claim, demand, action or other proceeding by any Third Party ("**Third Party Claim**") to the extent arising out of: (a) any breach of Provider's representations, warranties or obligations set forth in this Agreement, (b) any negligence or willful misconduct by any Provider Indemnitee, or (c) any claim that the use of any Provider IP or Provider Invention by Provider under this Agreement, or pursuant to the license granted to Senti in this Agreement, infringes, misappropriates or violates the Intellectual Property of any Third Party; in each case ((a)-(c)) except to the extent such Loss arises out of or results from (i) any Senti Indemnitee's negligence or willful misconduct, (ii) Senti's breach of this Agreement, or (iii) any issue relating to the Product or Services (a) [***], or (b) [***]

14.1.2. Senti Indemnification. Senti will indemnify, defend, and hold harmless Provider, its Affiliates, and its and their respective directors, officers, employees, representatives, agents, successors, and assigns (collectively, the "**Provider Indemnitees**") from and against any and all Losses to which any such Provider Indemnitee may become subject as a result of any Third Party Claim to the extent arising out of: (a) any breach of Senti's representations, warranties, or obligations set forth in this Agreement, (b)any claim that Provider's use of the Senti IP as expressly authorized in this Agreement, or that the Manufacture of a Product in accordance with the Manufacturing Process transferred by Senti, or prescribed by Senti [***], infringes, misappropriates, or violates the Intellectual Property of any Third Party, (c) the development, manufacture, production, packaging, handling, transport, sale, marketing, promotion, distribution, use, or disposal by or on behalf of Senti of Product supplied by Provider hereunder, including product liability or strict liability, or (d) any negligence or willful misconduct by any Senti Indemnitee; in each case ((a)-(d)) except to the extent that any of the foregoing arises out of or results from (i) any Provider Indemnitee's negligence or willful misconduct or (ii) Provider's breach of this Agreement.

14.1.3. Indemnification Procedure. All indemnification obligations in this Agreement are conditioned upon the Party seeking indemnification (a) promptly notifying the

indemnifying Party of the Third Party Claim for which the indemnifying Party seeks indemnification; *provided*, that failure to provide such notice within a reasonable period of time shall not relieve the indemnifying Party of any of its indemnification obligations except to the extent the indemnifying Party is prejudiced by such failure, (b) allowing the indemnifying Party, if the indemnifying Party so requests, to conduct and control the defense of such Third Party Claim and any related settlement negotiations at the indemnifying Party's expense; *provided*, that (i) any indemnitee shall have the right to retain its own counsel at its own expense and (ii) no such Third Party Claim will be settled by the indemnifying Party without the indemnified Party's prior written consent if such settlement imposes any obligations on the indemnitees other than customary mutual general release terms, (c) cooperating with the indemnifying Party in the defense of such Third Party Claim and any related settlement negotiations at the indemnifying Party's request and expense, and (d) not compromising or settling such Third Party Claim without the prior written consent of the indemnifying Party.

14.2. Insurance.

14.2.1. Provider Insurance. Provider will, at its own cost, obtain and maintain throughout the Term and for a period of not less than [***] following the termination or expiration of this Agreement, insurance coverage in amounts appropriate for its activities and obligations under this Agreement, which will include (a) comprehensive general liability insurance (including bodily injury and property damage) with minimum policy limits of liability of no less than [***] per occurrence and [***] in the annual aggregate and (b) workers' compensation insurance as required by Laws, each with a reputable insurer rated A- or better by A.M. Best. Provider will provide to Senti a certificate of insurance substantiating the existence of the insurance required by this provision within [***] following receipt of any written request therefor by Senti. Provider will provide Senti with written notice at least [***] prior to the cancellation or non-renewal of, or material change in, such insurance.

14.2.2. Senti Insurance. Senti will, at its own cost, obtain and maintain throughout the Term and for a period of not less than [***] following the termination or expiration of this Agreement, insurance coverage in amounts appropriate for its business and the activities, obligations and products of the type to be developed and manufactured under this Agreement, which will include (a) comprehensive general liability insurance with minimum policy limits of liability of no less than [***] per occurrence and [***] annual aggregate, (b) prior to commencement of any clinical trial with a Product or Senti Product, product liability insurance of at least [***] and (c) worker's compensation as required by Laws, with insurers rated A- or better by A.M. Best. Provider will be an additional insured on such policy. Senti will provide to Provider a certificate of insurance substantiating the existence of the insurance and additional insured endorsement(s) required by this provision within [***] following the receipt of any request therefor by Provider. Senti will provide Provider with written notice at least [***] prior to the cancellation or non-renewal of, or material change in, such insurance.

14.2.3. Effect of Insurance. The insurance policies required to be maintained by the either Party under the provisions of this Agreement will not limit or restrict, or increase, either Party's liabilities under this Agreement.

15. TERM AND TERMINATION.

15.1. **Term**. This Agreement will commence on the Effective Date and will continue until [***] ("**Term**"); provided, that if a Statement of Work is ongoing at the end of the Term, this Agreement shall continue in full force and effect, solely with respect to such then-effective Statement of Work, until the completion of the Services and the Parties' other obligations under such Statement of Work, or the termination of such Statement of Work pursuant to Section 15.2 (Termination).

15.2. **Termination**.

15.2.1. For Cause. This Agreement (including all SoWs hereunder) or the relevant Statement of Work may be terminated by either Party in its sole discretion immediately upon written notice to the other Party, if such other Party or its Affiliate, as applicable, has breached any payment obligation of or has otherwise materially breached this Agreement, or such Statement of Work and failed to remedy such material breach within [***] following receipt of a written notice of such material breach from the non-breaching Party.

15.2.2. For Insolvency/Bankruptcy. This Agreement (including all Statements of Work) may be terminated by a Party immediately upon written notice to the other Party: (a) upon the appointment of a receiver or custodian to take possession of any or all of the assets of such other Party; (b) upon such other Party making an assignment for the benefit of creditors; (c) if an attachment, execution or other judicial seizure of all or a portion of such other Party's assets is not discharged within [***]; or (d) if such Party becomes a debtor, either voluntarily or involuntarily, under Title 11 of the United States Code or any other similar law and, in the case of an involuntary proceeding, such proceeding is not dismissed within [***] of the date of filing.

15.2.3. For Technical Issues. If an Unforeseen Technical Factor occurs and either Party reasonably believes that Provider will be unable to complete the Services under one or more Statements of Work due to such Unforeseen Technical Factor, such Party shall inform the JPT of such Unforeseen Technical Factor. The JPT shall promptly discuss the Unforeseen Technical Factor in good faith to reach a mutually agreed resolution. If the JPT is unable to reach a consensus, the JPT shall escalate the Unforeseen Technical Factor to the JSC. If the JSC is unable to reach a consensus within [***] after such matter was brought to the JSC for resolution, then the Parties shall escalate the Unforeseen Technical Factor to the Executive Officers. If the Executive Officers are unable to reach a resolution of the Unforeseen Technical Factor within [***], such affected Statement(s) of Work may be terminated by either Party immediately upon written notice to the other Party. "**Unforeseen Technical Factor**" means a technical or scientific event or circumstance (not caused by a breach of Provider of this Agreement) which materially and adversely affects, or is likely to materially or adversely affect, Provider's performance of the Services under one or more Statements of Work.

15.2.4. For Impasse. Either Party may terminate a Statement of Work pursuant to Section 5.7.5 (Impasse).

15.2.5. For Catastrophic Failure. In the event it becomes impracticable or impossible for Provider to perform any of the In-Scope Activities for a continuous period of [***], and [***], then either Party may terminate this Agreement forthwith upon written notice to the other Party. Provider shall [***], and [***] within [***] after termination of this Agreement in accordance with this Section 15.2.5 (Termination; For Catastrophic Failure).

15.2.6. Mutual Termination. This Agreement and/or any or all Statements of Work may be terminated by the Parties' mutual written agreement.

15.2.7. For Deferred Consideration. In the event that Provider fails to make any payment of Deferred Consideration (as defined in the Framework Agreement) to Senti when such payment becomes due and payable on the date that occurs on the later of (x) [***] and (y) [***] Senti shall have the right, but not the obligation, to terminate (i) this Agreement or (ii) the [***] and Sections 2.4 [***] and 2.6 (Change of Control) of this Agreement.

15.3. **Effect of Termination**. In the event of expiration or termination of this Agreement or any Statement of Work:

15.3.1. Close-Out Activities. Provider will promptly cease and refrain from performing any additional Services described in any applicable Statement(s) of Work (including the Manufacturing and supplying of Product) unless otherwise mutually agreed in writing by the Parties and will perform only those services and activities as are necessary or advisable in connection with the close-out of the applicable Statement(s) of Work. Provider will utilize Commercially Reasonable Efforts to mitigate the Out-of-Pocket Costs incurred in connection therewith.

15.3.2. Payment on Termination. Subject to Section 7.1 (Credit) and Section 7.2 (Prepayment), Provider will invoice Senti in respect of (a) Services performed in accordance with the terms and conditions of this Agreement or the applicable Statement of Work up to and including the day of such termination, in full for all completed Services and for partially completed Services a sum calculated on a pro-rata basis having regard to the Service Fee for the partially completed Services (determined in good faith by [***] (b) any non-cancelable Out-of-Pocket Costs incurred by Provider on behalf of Senti pursuant to this Agreement or the applicable Statement of Work that Provider is unable, using Commercially Reasonable Efforts, to allocate to existing work for another customer, and (c) any reasonable costs of close-out activities or other amounts owing to Provider under the terms of this Agreement. All such undisputed amounts due to Provider are due and payable within [***] of receipt by Senti of such invoice. Any disputes relating to such amounts shall be resolved in the same manner as set out in Section 7.6 (Payments and Payment Terms). For clarity, unless the termination is [***].

15.3.3. Cancellation Fees. If this Agreement or any Statement of Work is terminated by Provider pursuant to Section 15.2.1 (Termination; For Cause), then, in addition to amounts payable under Section 15.3.2 (Payment on Termination), Senti will also be responsible for Cancellation Fees, as applicable, to the extent not included in the amounts payable under Section 15.3.2 (Payment on Termination). For clarity, no Cancellation Fees shall be payable by Senti if this Agreement or any Statement of Work is terminated by Senti pursuant to Section 15.2.1 (Termination; For Cause) or Section 15.2.2 (Termination; For Insolvency/Bankruptcy).

15.3.4. Disposition of Product. Provided that Senti has paid all outstanding invoices for Services with respect to a particular Product in full, Provider will, unless prohibited by applicable Laws, within [***] following the date of expiration or termination of this Agreement or the applicable Statement of Work, provide Senti with all inventory of such Product that has not previously been delivered.

15.3.5. Return of Senti Supplies. Provider will, within [***] following the expiration or termination of this Agreement or the applicable Statement of Work, make available for pickup by Senti or destroy, at Senti's request and expense, all Senti Supplies and all Provider-Supplied Materials.

15.3.6. Without Liability. Any termination of this Agreement by either Party in accordance with its terms will be without liability to the other Party for any Losses it may suffer as a consequence of such termination.

15.3.7. Return of Confidential Information. The Parties will comply with Section 16.5 (Return of Information).

15.3.8. Ongoing Stability. Unless this Agreement and/or the relevant SoW is terminated by Provider pursuant to Section 15.2.1 (Termination; For cause) (in which case clause (b) below shall apply), at Senti's election, Provider will either (a) continue to perform any ongoing stability testing in accordance with a SoW (where the terms of such SoW, this Agreement, and the Quality Agreement shall continue as between the Parties with respect to such Services only) or (b) ship the stability samples to Senti (or its designee) at Senti's sole cost.

15.4. **Survival**. Upon expiration or termination of this Agreement for any reason, the rights and obligations of the Parties under this Agreement will terminate; *provided*, that such expiration or termination will not release either Party from any liability that already had accrued prior to the effective date of expiration or termination nor from any liability, obligation, or agreement that survives such expiration or termination pursuant to the provisions of this Agreement. [***].

16. CONFIDENTIALITY.

16.1. **Scope of Confidential Information**. Subject to Section 16.4 (Ownership of Confidential Information), "**Confidential Information**" means any and all information (a) disclosed by or on behalf of a Party (the "**Disclosing Party**") to the other Party (the "**Receiving Party**") or any of its Representatives hereunder or (b) created in the performance of Services; in each case (i) whether tangible or intangible, (ii) whether written, electronic, oral, visual (e.g., obtained by observation at a site visit) or in any other form or medium and (iii) whether or not marked with a legend such as "Confidential" or "Proprietary". For the avoidance of doubt, the term "Confidential Information" shall be construed as "the Disclosing Party's Confidential Information."

16.1.1. Inclusions. Confidential Information includes (a) in the case of Senti as the Disclosing Party, all information that is specific to one or more Products and Senti Inventions, (b) in the case of Provider as the Disclosing party, all Provider Inventions and Provider IP, (c) the Disclosing Party's plans and pricing, product costs, finances, marketing plans, business opportunities, research and development activities, technical and scientific information, data, specifications, formulae, models, processes, business strategies, customer and vendor information, and non-public Intellectual Property (e.g., know-how and trade secrets), (d) the existence and terms of this Agreement (with both Parties being deemed the Receiving Party with respect thereto), and (e) without prejudice to clauses (a) and (b) above, any copies, summaries and other analyses of other Confidential Information prepared by or for the Receiving Party or any of its Representatives.

16.1.2. Exclusions. Confidential Information excludes information that the Receiving Party can prove by competent evidence:

(a) is or hereafter becomes part of the public domain by public use, publication or general knowledge through no breach of this Section 16 (Confidentiality) by the Receiving Party or any of its Representatives;

(b) was already in the possession of the Receiving Party or any of its Affiliates at the time of disclosure hereunder and not subject to existing confidentiality obligations; provided that the exception set forth in this Section 16.1.2(b) shall not apply to Provider as the deemed Receiving Party with respect to items created in the performance of the Services deemed to be Confidential Information of Senti;

(c) was received by the Receiving Party or any of its Affiliates from a Third Party lawfully in possession thereof without restriction on disclosure or use and without breach of any obligation of confidentiality owed to the Disclosing Party; or

(d) is independently discovered or developed by the Receiving Party or any of its Representatives outside of the scope of the activities under this Agreement and without reference to or reliance on any Confidential Information.

For the avoidance of doubt, Confidential Information shall not be deemed to be in the public domain or in the prior possession of a Person where it is merely embraced by or contained in more general information that is in the public domain or in such Person's possession. Any combination of features or disclosures shall not be deemed to fall within the foregoing exclusions merely because individual features are published or available to the general public or in the rightful possession of the Receiving Party unless the combination itself and principle of operation are published or available to the general public or in the rightful possession of the Receiving Party.

16.2. **Confidentiality and Non-Use**. The Receiving Party will, during the Term and for a period of [***] thereafter, keep confidential and not use, directly or indirectly, for any purpose other than performing its obligations or exercising its rights or as expressly permitted under this Agreement, or publish or otherwise disclose or provide to any Third Party, any Confidential Information, except as expressly permitted by this Section 16 (Confidentiality); *provided* that for Confidential Information that is a trade secret under Laws and identified as such by the Disclosing Party, such obligations shall survive until such Confidential Information is no longer a trade secret. Further, the Receiving Party shall (a) protect Confidential Information with the same degree of care that it uses to protect its own confidential information of a similar nature, but no less than a reasonable degree of care, (b) comply with all Laws relating to Confidential Information, including in respect of data privacy and the export of information outside of national borders, (c) not remove or obscure any copyright or trademark notice, proprietary legend, indication of confidentiality or other restrictive notation on any Confidential Information, and (d) promptly notify the Disclosing Party of any actual or suspected disclosure, use or loss of Confidential Information in contravention of this Agreement, including a description of the circumstances, persons and entities involved, steps taken to mitigate resulting damage, and steps taken to prevent any further such disclosure, use or loss. This Section 16.2 (Confidentiality and Non-Use) shall not apply to any Confidential Information that Provider receives under the terms of the License Agreement or Framework Agreement.

16.3. **Permitted Disclosures**. The Receiving Party may disclose Confidential Information as follows:

16.3.1. to those of its Representatives and professional advisors (including accountants and lawyers) who (a) are bound by written obligations (or professional or ethical duties) of confidentiality and non-use no less stringent than the terms contained in this Section 16 (Confidentiality), *provided* that, with respect to Third Party

subcontractors and professional advisors, the duration of the confidentiality term may be shorter than that set forth herein if such shorter term is consistent with industry standards, (b) have a definitive need to know such Confidential Information in connection with the Receiving Party's performance of its obligations or exercise of its rights hereunder and (c) have been advised of the Receiving Party's obligations under this Section 16 (Confidentiality); *provided*, that the Receiving Party shall be liable for any breach of this Section 16 (Confidentiality) caused by any of its Representatives or professional advisors (or any act or omission that would be a breach if such Representative or professional advisors was a party hereto);

16.3.2. with respect to the existence and terms of this Agreement only, to its current or prospective bona fide investors, underwriters, lenders, insurers, brokers, partners, licensees or acquirers and their legal counsel and other professional advisors as part of their due diligence investigations who are (a) informed of the confidential nature of such information and (b) bound by written obligations (or professional or ethical duties) of confidentiality and non-use at least as protective of Confidential Information as the terms of this Section 16 (Confidentiality) (except of shorter duration if customary for the context of such disclosure);

16.3.3. in the case of Senti as the Receiving Party, to Regulatory Authorities as reasonably necessary to obtain and maintain Regulatory Approvals and to comply with Senti's or its Affiliates' obligations under Laws as the sponsor of any regulatory filing or with respect to any clinical trial conducted by or on behalf of Senti, and to Third Parties in connection with Senti's exercise of its rights hereunder or development of Products or Senti Products, provided that such Third Parties are bound by written obligations of confidentiality and non-use no less stringent than the terms contained in this Section 16 (Confidentiality), and to [***]; and

16.3.4. directly in response to a valid order of a court of competent jurisdiction or other Governmental Entity having competent jurisdiction and to the extent required by Laws or by the listing standards, agreements, rules or regulations of the United States Securities and Exchange Commission or similar regulatory authority in a country other than the United States or of any stock exchange or listing entity on which any securities of the Receiving Party or any of its Affiliates are listed; *provided*, that the Receiving Party will (a) first give the Disclosing Party written notice of such order or requirements and any respective timing constraints to the extent legally permissible, (b) at the Disclosing Party's request and expense, reasonably cooperate with the Disclosing Party in any efforts to contest such order or requirement or seek legal protection, including through a protective order and (c) limit the disclosure to only the information reasonably required to be disclosed by such order, standard, rule or agreement.

16.3.5. Notwithstanding this Section 16.3 (Permitted Disclosures), Confidential Information that is permitted or required to be disclosed will remain otherwise subject to the confidentiality and non-use provisions of Section 16.2 (Confidentiality and Non-Use).

16.4. **Ownership of Confidential Information**. Except as specifically provided in this Agreement, nothing contained in this Agreement will be construed as granting or conferring any rights by license or otherwise in any Confidential Information of the Disclosing Party disclosed to the Receiving Party. All disclosed Confidential Information will remain the property of the Disclosing Party. Notwithstanding the foregoing, Confidential Information created in the performance of Services shall be subject to the allocation of ownership provisions of Section 12 (Intellectual Property Rights), and the Party deemed the owner of Intellectual Property pursuant to such Section shall also be

deemed the Disclosing Party thereof for purposes of this Section 16 (Confidentiality). Accordingly, any Manufacturing Process, Master Batch Records, and Deliverables, but excluding any Provider Operating Documents, Provider IP or Provider Inventions included in any of the foregoing, shall be deemed Senti's Confidential Information.

16.5. **Return of Information**. Upon expiration or termination of this Agreement or any Statement of Work, or upon the Disclosing Party's earlier written request, the Receiving Party shall immediately cease using all applicable Confidential Information of the other Party (except to the extent it has a surviving right of use thereto) and promptly either, as directed by the Disclosing Party, return it to the Disclosing Party or destroy it (and certify as to such destruction), including all portions of copies, summaries and other analyses. Notwithstanding the foregoing, (a) the Receiving Party may retain a single copy of such Confidential Information in the files of its legal counsel for the sole purpose of ensuring compliance with such Party's obligations hereunder, (b) the Receiving Party may retain a copy of such Confidential Information to exercise any rights hereunder that survive expiration or termination of this Agreement or as necessary for regulatory compliance or insurance purposes, (c) the Receiving Party is not required to return or destroy any Confidential Information if doing so would violate (or result in the violation of) any Laws, (d) the Receiving Party shall not be required to expunge any minutes or written consents of its board of directors (or equivalent governance body), and (e) to the extent that the Receiving Party's standard computer back-up or archiving procedures create copies of Confidential Information, the Receiving Party may retain such copies for the period it normally archives backed-up computer records, so long as such copies are not readily accessible and are not used or consulted for any purpose other than disaster recovery. Any Confidential Information retained pursuant to the foregoing sentence shall remain subject to this Section 16 (Confidentiality) until destroyed or no longer deemed Confidential Information based on Section 16.1.2 (Exclusions).

16.6. **Injunctive Relief**. The Parties acknowledge and agree that, due to the unique nature of the Confidential Information, the breach of this Section 16 (Confidentiality) by the Receiving Party may cause irreparable damage to the Disclosing Party for which monetary damages would be inadequate. Accordingly, the Disclosing Party shall have available to it the right to seek injunctive relief or other remedies in connection with a threatened or actual breach of any of the Receiving Party's obligations under this Section 16 (Confidentiality), and the Parties waive the requirement of any bond being posted as security in any application for such relief.

16.7. **Public Disclosure.** Notwithstanding anything herein to the contrary, each Party hereby agrees with the other Party that no press release or similar public announcement or communication shall, at any time, be made by it or caused to be made by it concerning the execution or performance of this Agreement unless it shall have consulted the other Party in advance with respect thereto and such other Party consents in writing to such release, announcement or communication; *provided*, *however*, the provisions of this Section 16.7 (Public Disclosure) shall not prohibit any such press release or similar public announcement or communication required to comply with the requirements of any Laws or the rules and regulations of each stock exchange upon which the securities of such Party or any of its Affiliates are listed, if any (in which case such Party shall notify the other Party promptly and shall use commercially reasonable efforts to provide the other Party with a copy of the contemplated disclosure prior to submission or release, as the case may be). Neither Party shall be required to obtain the consent of the other Party to publish or disclose any information that has already been publicly disclosed by either Party in accordance with this Section 16.7 (Public Disclosure), provided that such information remains relevant and accurate as of such disclosure.

17. MISCELLANEOUS.

17.1. No Consequential Damages. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR PUNITIVE, MULTIPLIED, EXEMPLARY, INDIRECT, CONSEQUENTIAL, OR SPECIAL DAMAGES, OR ANY LOSS OF FUTURE REVENUE, INCOME, OR PROFITS, THAT ARISE OUT OF OR RELATE TO THIS AGREEMENT, REGARDLESS OF WHETHER ARISING FROM BREACH OF CONTRACT, WARRANTY, TORT, STRICT LIABILITY, OR OTHERWISE, EVEN IF THAT PARTY IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR IF SUCH LOSSES COULD HAVE BEEN REASONABLY FORESEEN; *PROVIDED*, THAT THIS SECTION 17.1 (NO CONSEQUENTIAL DAMAGES) SHALL NOT SERVE AS A LIMITATION WITH RESPECT TO LIABILITIES FOR (A) ANY INDEMNIFYING PARTY'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 14.2 (INDEMNIFICATION), (B) A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR (C) A PARTY'S BREACH OF ITS CONFIDENTIALITY AND NON-USE OBLIGATIONS UNDER THIS AGREEMENT.

17.2. **Maximum Liability**. Subject to Section 17.3 (Exceptions), each Party's entire liability arising from or relating to this Agreement or any SoW, or the subject thereof, under any legal theory (whether in contract, tort or otherwise), shall not exceed (a) [***] and (b) [***] The foregoing limitation will not limit Senti's payment obligations under Section 7 (Pricing and Payments).

17.3. **Exceptions**. Nothing in this Agreement excludes or limits the liability of any Party in respect of (i) death or personal injury caused by negligence; (ii) the indemnities given pursuant to Section 14.1 (Indemnification); (iii) any liability which may not otherwise be so limited or excluded under applicable Laws; (iv) gross negligence or willful misconduct; or (v) breach of any confidentiality or non-use obligations under this Agreement.

17.4. **Technology Transfers under SoWs**. Notwithstanding anything to the contrary, in no event shall Provider be liable for any breach of this Agreement, any SoWs or the Quality Agreement to the extent that such breach results from a non-compliance by Senti with its obligations to timely transfer technology to Provider in accordance with any applicable SoWs, and to the extent such failure to timely transfer such technology is not attributable to any acts, omissions or delays in acting by Provider or any of its personnel or subcontractors.

17.5. **Entire Agreement**. This Agreement, together with the Framework Agreement, Quality Agreement, and other Ancillary Agreements, constitutes the entire agreement between the Parties with respect to its subject matter, and supersedes all previous agreements between the Parties, written and oral, in respect of its subject matter.

17.6. **Amendment; Waiver**. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed (a) in the case of an amendment, by an authorized representative of each of Provider and Senti and (b) in the case of a waiver, by an authorized representative of the Party against whom the waiver is to be effective. No waiver by any Party of any provision of this Agreement or any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver, nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence. No failure or delay by any Party in exercising any right, power or privilege hereunder

shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

17.7. **Assignment**. Subject to Section 2.6 (Change of Control), this Agreement and all provisions hereof will be binding upon and will inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Neither Party will have the right to assign or transfer this Agreement, or any rights or obligations hereunder, in whole or in part, without the express written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed; except that (a) a Party may, without such consent, but with written notice promptly thereafter, novate and assign or otherwise transfer the rights and obligations under this Agreement to a successor in interest to or an acquirer of all or substantially all of the business or assets of such Party; provided that in such event [***], and (b) Senti may assign a Statement of Work pursuant to Section 2.5 ([***]). Except to the extent otherwise expressly provided herein (e.g., rights conferred to indemnitees), this Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns. Any purported assignment in breach of this Section 17.7 (Assignment) will be void.

17.8. **Force Majeure**. Except as to payments required under this Agreement, neither Party will be liable for damages for, nor will this Agreement be terminable or cancelable, in whole or in part, by reason of, any interruption of, delay, failure or default in such Party's performance hereunder if such interruption, delay, failure or default is caused by events beyond such Party's reasonable control, including fire, flood, earthquake, natural disaster, weather-related event, pandemic and other acts of God; failure of public utilities; regulation or law or other action or failure to act of any Governmental Entity; war, hostilities, terrorist activities, insurrection or civil commotion (each, a "**Force Majeure**"). The non-performing Party is excused from performance to the extent and for the duration of the event; *provided*, that it first notifies the other Party in writing of the event and that it uses Commercially Reasonable Efforts to mitigate the effect and duration of the event. If the non-performing Party is not able to perform its obligations for [***] then the Parties will discuss and negotiate in good faith any required modifications to this Agreement or an applicable Statement of Work.

17.9. **Notices**. Subject to Section 4 (Project Management) with respect to the exchange of routine information relative to the status of each Project, and Section 7.5 (Invoices) with respect to invoicing, all notices, requests, claims, demands and other communications under this Agreement must be in writing and will be deemed to have been duly given (a) when received, if delivered personally, (b) when transmitted, if sent by email (with confirmation of successful transmission and with a duplicate copy directed pursuant to one of the methods set forth in clause (c) or (d) below), (c) upon receipt, if sent by registered or certified mail (postage prepaid, return receipt requested), and (d) the day after it is sent, if sent for next-day delivery to a domestic address by overnight mail or courier, to the Parties at the following addresses:

For Provider:

GeneFab, LLC
1430 Harbor Bay Parkway
Alameda, CA 94502
Attn: Phillip Lee
Email: [***]

With a copy to:

Morrison & Foerster LLP
33/F, Edinburgh Tower, Landmark
15 Queen's Road Central
Hong Kong

Attn: Marcia Ellis
Email: [***]

For Senti:

Senti Biosciences, Inc.
2 Corporate Drive, First Floor,
South San Francisco, CA 94080
Attn: Tim Lu
Email: [***]

17.10. **Governing Law; Dispute Resolution**.

17.10.1. Governing Law. This Agreement, including all issues and questions concerning the application, construction, validity, interpretation, and enforceability of this Agreement, shall be governed by and construed in accordance with the internal laws of the State of Delaware, without regard to its conflict of laws provisions.

17.10.2. Dispute Resolution. Exclusive of disputes relating to quality matters, which will be governed by Section 10.7 (Disputes as to Failed Batches or Product Conformity), if the JPT raises an issue to the Parties for resolution, or in the event of any dispute, controversy, difference, or claim arising out of, relating to, or in connection with this Agreement or a Statement of Work (including any questions regarding its existence, validity, or termination, the scope or applicability of this agreement to arbitrate, or any dispute regarding non-contractual obligations arising out of or relating to this Agreement or Statement of Work (a "**Dispute**"), the Parties shall use the following procedure in good faith:

17.10.2(a) Escalation. A meeting of the Executive Officers, which may be either in-person or via teleconference, shall be held within [***] after either Party gives written notice of a Dispute to the other Party. The Executive Officers shall negotiate in good faith and use reasonable efforts to resolve the Dispute.

17.10.2(b) Dispute Resolution. If the Executive Officers are unable to resolve the Dispute within [***] after notice of the Dispute, then the Dispute shall be referred to and finally resolved by arbitration administered by the International Centre for Dispute Resolution ("ICDR") in accordance with its International Arbitration Rules in effect at the time of the arbitration, which rules are deemed to be incorporated by reference into this clause, except as they are modified herein. The seat, or legal place, of arbitration shall be New York, New York, United States of America. The arbitration proceedings shall be conducted in English. The arbitral tribunal shall consist of three arbitrators. The tribunal shall award to the prevailing party its costs and expenses of the arbitration, including its reasonable legal fees and other costs of legal representation, fees paid to the arbitrators, and any administrative fees paid to the ICDR, as determined by the arbitral tribunal. Judgement upon the award may be entered into any court having jurisdiction of the award or having jurisdiction over the relevant party or its assets. The parties agree that the arbitration shall be kept confidential. The existence of the arbitration, any non-public information provided in the arbitration, and any submissions, orders, or awards made in the arbitration (together, the "Arbitration Confidential Information") shall not be disclosed to any non-party except the arbitral tribunal, the ICDR, the parties, their counsel, experts, witnesses, accountants, and auditors, potential third-party funders, and any other person necessary to the conduct of the arbitration. Notwithstanding the foregoing, a party may disclose Arbitration Confidential Information to the extent required to protect or pursue a legal right or interest of the party in legal proceedings before a

court or other authority, or to enforce or challenge an award in *bona fide* legal proceedings. This confidentiality provision survives termination of this Agreement and of any arbitration brought pursuant to this Agreement. Notwithstanding Section 17.10.1, the arbitration and this agreement to arbitrate shall be governed by Title 9 (Arbitration) of the United States Code.

17.10.2(c) Temporary Injunctive Relief. Notwithstanding anything to the contrary in this Agreement, either Party may, at any time and without waiving any remedy under this Agreement, seek from any court having jurisdiction any temporary injunctive or provisional relief necessary to protect the rights or property of that Party.

17.11. Interpretation.

17.11.1. Headings. All headings in this Agreement are for convenience purposes only, do not constitute a part of this Agreement and will not be deemed to limit or affect the meaning or interpretation of any of the provisions hereof.

17.11.2. Persons. References in this Agreement to a Person include its successors and permitted assigns. Words of one gender include each other gender.

17.11.3. Law. References in this Agreement to an agreement or Law include such agreement or Law as amended, restated, supplemented or otherwise modified from time to time unless otherwise specified.

17.11.4. Cross-References. When a reference is made in this Agreement to a Section, Exhibit, Schedule, Recital or Preamble, such reference is to a Section, Exhibit, Schedule, Recital or Preamble of or to this Agreement unless otherwise indicated. Likewise, the words “hereof,” “herein,” “hereto” and “hereunder,” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole, and not to any particular provision of this Agreement.

17.11.5. Certain Words. The word “including” means “including without limitation” and the words “include” and “includes” have corresponding meanings. Except where the context otherwise requires, the word “or” will be interpreted in the inclusive sense, commonly associated with the term “and/or.” The word “will” will be construed to have the same meaning and effect as the word “shall” (and vice versa).

17.11.6. Singular/Plural. Terms defined or used in the singular have a comparable meaning when used in the plural, and vice versa.

17.11.7. Drafting. The Parties are sophisticated, have had the opportunity to consult legal counsel with respect to this transaction, and hereby waive any presumptions of any statutory or common law rule relating to the interpretation of contracts against the drafter.

17.12. **Independent Contractors**. The Parties are independent contractors and not employees, agents, partners or joint venturers of or with each other. Neither Party may represent, bind, or act on behalf of the other Party.

17.13. **Severability**. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any term or other provision of this Agreement, or the application thereof to any Person or any circumstance, is invalid, illegal or unenforceable, (a) a suitable and equitable provision shall be substituted therefor

in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity, illegality or unenforceability, nor shall such invalidity, illegality or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

17.14. **Counterparts**. This Agreement may be signed in any number of counterparts, each and every one of which shall be considered one and the same agreement and shall become effective when a counterpart hereof shall have been signed by each Party and delivered to the other Party, notwithstanding variations in format or file designation which may result from the electronic transmission, storage and printing of copies of this Agreement from separate computers or printers. Delivery of an executed counterpart of a signature page to this Agreement by e-mail of a .pdf attachment shall be effective as delivery of a manually executed counterpart of this Agreement. Electronic signatures, facsimile signatures and signatures transmitted via PDF will be treated as original signatures.

[Signature Page Follows.]

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed by its duly authorized representative as of the Effective Date.

GENEFAB, LLC		**SENTI BIOSCIENCES, INC.**	
By its sole member:			
VALERE BIO, INC.			
By:	/s/ Donald Tang	By:	/s/ Tim Lu
Name:	Donald Tang	Name:	Tim Lu, M.D., Ph.D.
Title:	President	Title:	Chief Executive Officer

EXHIBIT A

[***]

EXHIBIT B

[***]

EXHIBIT C

[***]

EXHIBIT D

[***]

EXHIBIT E

[***]

EXHIBIT F

[***]

EXHIBIT G

[***]

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 "[***]".

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (this "***Sublease***") is made and entered into this 7th day of August, 2023 (the "***Effective Date***"), by and between the **SENTI BIOSCIENCES, INC**., a Delaware corporation (hereinafter referred to as the "***Sublandlord***") and **GENEFAB, LLC**, a Delaware limited liability company (hereinafter referred to as the "***Subtenant***") (each a "***Party***", and together, the "***Parties***").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Research and Development and Laboratory Lease Agreement between 1430 South Loop Owner, LLC, a Delaware limited liability company (the "***Prime Landlord***") and Sublandlord, dated as of June 3, 2021, as amended by that certain Letter Amendment by and between Prime Landlord and Sublandlord dated as of June 3, 2021 (collectively, the "***Prime Lease***"), Sublandlord leases approximately 91,910 rentable square feet (the "***Premises***") consisting of the entire rentable area of the building commonly known as 1430 Harbor Bay Parkway, Alameda, CA (the "***Building***"); and

WHEREAS, pursuant to that certain Framework Agreement by and between Sublandlord, Valere Bio, Inc., and Subtenant, dated as of August 7, 2023 (the "***Framework Agreement***"), Sublandlord agreed to sublease to Subtenant and Subtenant agreed to Sublease from Sublandlord, the entirety of the Premises, the outline of which is shown on the plan set forth on Exhibit A attached hereto and made a part hereof subject to and conditioned upon receipt of required consents from Prime Landlord and, to the extent applicable, the Current Holder (as hereinafter defined); and

WHEREAS, as of the Effective Date, Prime Landlord has [***]; and

WHEREAS, Subtenant has a need to commence business operations in a portion of the Premises as soon as possible and Sublandlord has communicated the same to Prime Landlord. Prime Landlord has agreed, subject to the terms and conditions in the Prime Landlord's Consent (as hereinafter defined), to consent to the subleasing of the Initial Sublease Premises (as hereinafter defined). Upon the satisfaction of the Must-Take Sublease Premises Conditions (as hereinafter defined), the Initial Sublease Premises will expand to include the Must-Take Sublease Premises and, thereafter, the Subleased Premises (as defined in the Basic Sublease Provisions) will comprise the entirety of the Premises.

WHEREAS, Subtenant desires to sublease from Sublandlord the Subleased Premises, upon the terms and conditions set forth in this Sublease.

NOW, THEREFORE, for and in consideration set forth herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned Parties, and their successors and assigns, hereby agree as follows:

1. Basic Sublease Provisions. The information set forth in this section (the "***Basic Sublease Provisions***") is intended to supplement and/or summarize the provisions set forth in the balance of this Sublease. Each reference in this Sublease to any of the terms set forth below shall mean the respective information set forth next to such term as amplified, construed or supplemented by the particular Section(s) of the Sublease pertaining to such information. Unless otherwise expressly defined in this Sublease, the capitalized terms in the left column immediately below shall have the meaning (and are hereby defined as) set forth in the column immediately to the right of the applicable capitalized term.

Prime Landlord:	1430 SOUTH LOOP OWNER, LLC [***] San Francisco, CA 94111 Attn: Tawni Sullivan Email: [***] With a copy to: 1340 South Loop Owner, LLC [***] Dallas, TX 75201 Attn: North South Loop Asset Manager Telephone: [***] And a copy to: Shartsis Friese LLP One Maritime Plaza, 18th Floor San Francisco, CA 94111 Atten: Scott Schneider
Prime Landlord's Address for Notices:	
Sublandlord:	SENTI BIOSCIENCES, INC.
Sublandlord's Address for Notices:	Senti Biosciences, Inc. Two Corporate Drive South San Francisco, CA 94080 Attn: Facilities Manager Telephone: [***] with a copy to: Cooley LLP 101 California Street, 5th Floor San Francisco, CA 94111 Attn: Rachel Antoinette Boyce
Subtenant:	GENEFAB, LLC
Subtenant's Address for Notices:	At the Premises Attn: Phillip Lee
Subleased Premises:	From the Commencement Date until the day immediately prior to the earlier of (a) the Must-Take Commencement Date and (b) the Expiration Date: the Initial Sublease Premises From the Must-Take Commencement Date until the Expiration Date: the entirety of the Premises
Building:	1430 Harbor Bay Parkway, Alameda, CA
Base Rent:	The Base Rent due under the Prime Lease
Commencement Date:	The latest to occur of (i) Initial Closing (as defined in the Framework Agreement), and (ii) the date of Prime Landlord's Consent (herein defined)

Must-Take Commencement Date	The date all of the Must-Take Sublease Premises Conditions have been satisfied
Expiration Date:	The expiration date of the Prime Lease, which the parties agree to be [***] subject to earlier termination in accordance with the terms of this Sublease.
Subtenant's Insurance:	As specified for "Tenant" in Article 11 of the Prime Lease

2. Effectiveness Contingent Upon Prime Landlord's Consent. Sublandlord and Subtenant expressly acknowledge and agree that this Sublease is subject to Prime Landlord's written consent and that this Sublease shall not be effective unless and until Prime Landlord shall have consented in writing to this Sublease ("***Prime Landlord's Consent***"). Subtenant and Sublandlord hereby acknowledge and agree that the transaction contemplated by this Sublease shall in no circumstances be deemed an assignment of Sublandlord's interest in the Prime Lease to Subtenant. Subtenant and Sublandlord each waive any right to assert that the Sublease constitutes an assignment of Sublandlord's interest in the Prime Lease to Subtenant. In the event Sublandlord or Subtenant shall make any such assertion, the party which made such assertion shall indemnify and hold harmless the other party and Prime Landlord from and against any and all reasonable costs, expenses, losses, liabilities and claims (including, without limitation, attorneys' fees) incurred by the other party and Prime Landlord in connection with such assertion.

3. Subleased Premises.

(a) Subject to the written consent of Prime Landlord, Sublandlord does hereby sublease to Subtenant, and Subtenant does hereby sublease from Sublandlord, for the Term (as defined herein) and upon the conditions hereinafter provided, approximately [***] rentable square feet of the Premises, such space being comprised of a substantial portion of the production and quality control laboratories, and portions of the office, warehouse, and support areas (the "***Initial Sublease Premises***"), all of which are located on the ground floor of the Building except for a portion of the office area which is located on the mezzanine level. The "***Must-Take Sublease Premises***" is the Premises under the Prime Lease other than the Initial Sublease Premises. Upon satisfaction of the all of following conditions (collectively, the "***Must-Take Sublease Premises Conditions***"), the Subleased Premises shall be automatically expanded to include both the Initial Sublease Premises and the Must-Take Sublease Premises: (i) Prime Landlord has consented to Sublandlord subleasing the Must-Take Sublease Premises (whether pursuant to the Prime Landlord's Consent or another document), (ii) Prime Landlord has informed Sublandlord that Current Holder has consented to the subleasing of the Must-Take Sublease Premises to Subtenant, (iii) Current Holder's consent is on terms acceptable to Prime Landlord, in Prime Landlord's sole and absolute discretion, and (iv) Current Holder's consent is on terms acceptable to Sublandlord and Subtenant, in the respective party's reasonable discretion. With respect to Sublandlord, it shall be reasonable for Sublandlord to find Current Holder's terms unacceptable if they require Sublandlord to commence or threaten any Action (as defined in the Framework Agreement), incur more than *de minimis* additional costs, or take on more than *de minimis* additional liabilities. Subtenant agrees that Sublandlord shall not be liable and this Sublease shall not terminate (but shall continue in full force and effect) if the Must-Take Sublease Premises Conditions are never satisfied.

(b) Sublandlord shall deliver and Subtenant shall accept the Subleased Premises, upon and subject to the terms and conditions herein set forth, in its "AS IS, WHERE IS AND WITH ALL FAULTS" condition. If Sublandlord is unable to tender possession of the Initial Sublease Premises on the Commencement Date or the Must-Take Sublease Premises on the Must-Take Commencement Date, then Subtenant's obligations under this Sublease with respect to the portion of the Sublease Premises for which tender of possession is delayed shall be held in abeyance on a day-for-day basis until Sublandlord tenders possession of the applicable portion of the Subleased Premises; provided, however: (1) the validity of this Sublease shall not be affected or impaired thereby; and (2) Subtenant shall accept possession of the Initial Sublease Premises or Must-Take Sublease Premises, as applicable, when Sublandlord tenders possession thereof to Subtenant.

(c) Subtenant acknowledges and agrees that no representations, statements or warranties, express or implied, have been made by or on behalf of the Sublandlord with respect to the condition of the Subleased Premises, compliance with any Laws, statutes, or regulations, including, but not limited to, the Americans with Disabilities Act of 1991, 42 USC § 1201 et seq. and all regulations applicable thereto promulgated as of the date hereof (collectively "***ADA***"), or the use or occupation that may be made thereof, all of which are hereby expressly disclaimed by Sublandlord and waived by Subtenant, and that Sublandlord shall in no event whatsoever be liable for any latent defects in the Subleased Premises or in the furniture, furnishings, fixtures, or equipment therein. Neither Prime Landlord nor Sublandlord shall have any obligation for completing any alterations, improvements, repairs or decorations to all or any portion of the Subleased Premises, or provide an allowance for the same or any other reason, either prior to the Commencement Date or during the term of this Sublease, or any extension thereof. Subtenant represents that it has thoroughly examined the Building, the Initial Sublease Premises and the Must-Take Sublease Premises.

(d) Provided that Subtenant has performed all of its obligations hereunder and no monetary or material non-monetary default exists, Subtenant shall peaceably and quietly hold and enjoy the Subleased Premises for the Term, without hindrance from Sublandlord or any party claiming by, through, or under Sublandlord, but not otherwise, subject to the terms and conditions of this Sublease.

4. Term. The term of this Sublease shall begin on the Commencement Date and expire at 5:00 pm on the Expiration Date (the "***Term***"), unless sooner terminated as hereinafter set forth or by operation of law. Notwithstanding the foregoing, the Term shall automatically terminate upon the expiration or earlier termination of the Prime Lease; provided, however, Subtenant's obligations hereunder shall survive such termination if the same is due to Subtenant's failure to comply with the terms of this Sublease or the Prime Lease or if the express terms of this Sublease state that the obligation survives expiration or earlier termination of this Sublease. Subtenant has no right to access or use all or any part of the Subleased Premises prior to the date all of the following have occurred: (a) the Commencement Date, (b) with respect to the Must-Take Sublease Premises, the Must-Take Commencement Date, (c) receipt of Prime Landlord's Consent, (d) with respect to the Must-Take Sublease Premises, satisfaction of the Must-Take Sublease Premises Conditions, (e) Sublandlord's receipt of evidence that all the insurance required to be obtained and maintained by Subtenant under this Sublease has been obtained, and (f) receipt of Exhibit H to the Prime Lease completed by Subtenant with respect to both the Initial Sublease Premises and Must-Take Sublease Premises.

5. [Reserved].

6. Use; Services. Subtenant shall use and occupy the Subleased Premises solely for the permitted use in the Prime Lease and in accordance with all the terms and conditions of this Sublease and the Prime Lease and applicable Laws and zoning regulations (the "***Permitted Use***"). Without the prior written consent of Prime Landlord and Sublandlord, the Subleased Premises will not be used for any other purposes. Sublandlord shall have the right, but not the obligation, to perform monthly audits of the Subleased Premises to validate actual use.

7. Base Rent.

(a) [***]

(b) All payments of Rent (herein defined) shall be paid in lawful money of the United States, without notice, demand, set-off, abatement or deduction whatsoever, to Sublandlord at Sublandlord's notice address, or, at Sublandlord's election, via ACH or at such other place as Sublandlord may designate in writing, at the times and in the manner specified herein. If the Term begins on a date other than on the first day of a quarter, or if the Term ends on a day other than the last day of a quarter, Base Rent for such partial quarter shall be prorated as provided in Section 4 of the Prime Lease.

(c) Any Rent past due (without regard to any grace period specified in this Sublease) shall be subject to the fees and interest set forth in Section 5 of the Prime Lease.

(d) Notwithstanding Section 7(a) above or Section 8 below, in the event Prime Landlord elects, pursuant to its rights in the Prime Lease or Prime Landlord's Consent, to have Subtenant to attorn to Prime Landlord for the balance of the term of the Sublease, then all amounts under this Sublease paid quarterly by Subtenant to Sublandlord shall instead be paid on a monthly basis. In addition, notwithstanding Section 7(a) above or Section 8 below, in the event Prime Landlord elects, pursuant to its rights in the Prime Lease or Prime Landlord's Consent, to have Subtenant to pay all rent and other amounts due under this Sublease directly to Prime Landlord, then all such rent and amounts paid quarterly by Subtenant to Sublandlord shall instead be paid on a monthly basis until such time as Sublandlord has cured such default and Prime Landlord has accepted such cure.

8. Sublease Additional Rent. Throughout the Term, Subtenant shall pay to Sublandlord, as Sublease Additional Rent, [***] percent ([***]%) of (a) Additional Rent (as defined in Section 1 of Exhibit C to the Prime Lease), (b)Tenant's Proportionate Share of Taxes, (c) Tenant's Proportionate Share of Insurance, (d) all charges for any additional services provided to Subtenant, including, but not limited to, any after-hours HVAC used by Subtenant which deviates from normal hours of operation specified in the Prime Lease, (e) any special and non-standard services incurred by Subtenant (or by Sublandlord on behalf of Subtenant) in connection with Subtenant's use and occupancy of the Subleased Premises, and (f) any other costs or Rent due from the Tenant under the Prime Lease, the parties agreeing that Subtenant is assuming all of Subtenant's monetary obligations under the Prime Lease. All sums other than the Base Rent payable by Subtenant under this Sublease shall be deemed "***Sublease Additional Rent***" (together with Base Rent, the "***Rent***") and payable, except as otherwise set forth herein, within [***] of receipt of an invoice or statement from Sublandlord. The Sublease Additional Rent described in (a), (b), and (c) of this Section 8 are hereinafter referred to as "***Recurring Sublease Additional Rent***"). Recurring Sublease Additional Rent shall be paid at the same times and in the same manner as Base Rent. Subject to Section 3(b), Subtenant shall deliver the first quarter's Recurring Sublease Additional Rent to Sublandlord simultaneously with Subtenant's execution of this Sublease. If the Term begins on a date other than on the first day of a quarter, or if the Term ends on a day other than the last day of a quarter, Recurring Sublease Additional Rent for such partial quarter shall be prorated as provided in Section 4 of the Prime Lease.

9. Alterations. Subtenant shall not make any Alterations in or to all or any part of the Subleased Premises without the consent of Sublandlord, which may be withheld in Sublandlord's sole discretion. All Alterations shall be subject to the approval of Prime Landlord and the terms of the Prime Lease. If any Alterations are made by or on behalf of Subtenant without Prime Landlord's and Sublandlord's consent, then Subtenant shall, upon request of Prime Landlord or Sublandlord, remove said Alterations, repair all damage resulting from such removal and restore the Subleased Premises to the condition as of the Commencement Date, ordinary wear and tear excepted, or Prime Landlord or Sublandlord may remove the same, and may (but shall not be obligated to) correct, repair and restore the Subleased Premises and any damage arising from such removal, the costs of the foregoing work to be promptly reimbursed by Subtenant as Sublease Additional Rent.

10. Terms of Prime Lease.

(a) Subtenant acknowledges that it has received and reviewed the Prime Lease, a copy of which is attached hereto and incorporated as Exhibit B. Subtenant's rights pursuant to this Sublease are subject and subordinate at all times to the Prime Lease and to all the terms, covenants, and agreement of the Prime Lease, except as expressly modified by this Sublease. As between Sublandlord and Subtenant, in the event of a conflict between the terms of this Sublease and the terms of the Prime Lease, the terms of this Sublease shall control. Subtenant hereby assumes all of the obligations of the Sublandlord as the Tenant under the Prime Lease, except that the obligation to pay any rent to Prime Landlord under the Prime Lease shall be considered performed by Subtenant to the extent and in the amount such rent is paid to Sublandlord in accordance with the provisions of this Sublease. Sublandlord shall have all of the rights of Prime Landlord under the Prime Lease as against Subtenant.

(b) Notwithstanding anything in this Sublease to the contrary, Subtenant agrees that (i) Sublandlord does not assume and shall not have any obligations or liabilities of Prime Landlord under the Prime Lease, (ii) Sublandlord is not making the representations and warranties of Prime Landlord under the Prime Lease, and (iii) Sublandlord shall not be obligated to furnish for Subtenant any services or utilities of any nature whatsoever, including, without limitation, the furnishing of heat, electrical energy, air conditioning, elevator service, or window washing. With respect to work, services, maintenance, repairs and restoration or the performance of other obligations required of Prime Landlord under the Prime Lease, notwithstanding anything herein to the contrary, Sublandlord's sole obligation with respect thereto shall be to request Prime Landlord to perform the same following its receipt of Subtenant's written request, and Sublandlord agrees to use commercially reasonable efforts to cause the Prime Landlord to perform the same (it is agreed that Sublandlord's commercially reasonable efforts shall not include the expending more than a *de minimis* amount of money or the filing or prosecution of any claim, suit or other proceeding). Subtenant shall not under any circumstances seek or require Sublandlord to perform or cause the performance of any work, services, repairs, restoration or the performance of any other obligation required of Prime Landlord under the Prime Lease, and Subtenant shall not make any claim against Sublandlord for any damage which may arise, nor shall Subtenant's obligations under this Sublease be impaired by reason of (i) the failure of Prime Landlord to observe or perform any covenant or agreement to be observed or performed by Prime Landlord under the Prime Lease, or (ii) any act or omission of Prime Landlord or any of its agents, contractors, servants, employees, invitees or licensees or any of the Prime Landlord Indemnitees or any Prime Landlord's Mortgagee (including, without limitation, the Current Holder).

(c) Subtenant acknowledges and agrees that Subtenant shall be responsible to obtain, maintain and pay for the insurance types and coverages as specified in the Prime Lease to be obtained and maintained by Sublandlord, as Tenant, in amounts not less than those specified in the Prime Lease and in accordance with all the other requirements required by the Prime Lease. In addition to the requirements under the Prime Lease, all policies of insurances obtained by Subtenant shall name Prime Landlord, Prime Landlord's property management company (which, as of the Effective Date, is CBRE, Inc.), Invesco Advisers Inc., Sublandlord, and any other entities and individuals reasonably requested by Prime Landlord or Sublandlord as additional insureds. Subtenant's insurance shall be primary over Prime Landlord's and Sublandlord's insurance. Prior to or on the Commencement Date or, if earlier, the date Subtenant enters or occupies all or any part of the Subleased Premises, Subtenant will deliver to Sublandlord certificates and other evidence reasonably requested by Sublandlord or Prime Landlord reflecting that Subtenant has obtained and is maintaining the required insurance coverages in the appropriate amounts and otherwise in accordance with the requirements in the Prime Lease. Further, Subtenant will deliver to Sublandlord and Prime Landlord said certificates and other information within [***] after Sublandlord's request (but in no event less than annually). Subtenant agrees that Sublandlord is not required to obtain or maintain any of the insurance Tenant or Prime Landlord is required to carry and maintain under the Prime Lease, if any.

(d) In furtherance thereof, for purposes of this Sublease, references to the "Premises" in the Prime Lease shall be construed to mean the "Subleased Premises" hereunder; references to "Landlord" or "Owner" in the Prime Lease shall be construed to mean "Sublandlord"; references to "Tenant" in the Prime Lease shall be construed to mean "Subtenant", and references to "Base Rent" in the Prime Lease shall be construed to mean "Base Rent". The provisions of the Prime Lease are specifically incorporated herein by reference; provided, however, notwithstanding anything contained herein to the contrary, the following are excluded from the Sublease and are not incorporated by reference: (i) the last two sentences of Section 3(a), second paragraph of Section 3(d), Section 4(b), the language starting at "provided, however" until the end of the first sentence of Section 5, Section 11(b), the third sentence in Section 11(d) (starting "Landlord shall protect . . ."), Section 12(e), Exhibit D, last sentence of Section 4(e) of Exhibit E, Exhibit J, Exhibit K, and Exhibit M of the Prime Lease, (ii) any and all rights to expand, contract or extend the Premises or the Term (whether by renewal option, expansion option, contraction option, right of first offer, right of first refusal, right of first negotiation, or otherwise), (iii) any and all other preferential rights or options, (iv) any and all buildout or improvement (including, without limitation, any allowances) related thereto, (v) any and all rights that are personal to Sublandlord (as tenant) or that specifically specifies that they may only be exercised by Sublandlord or any affiliate or

subsidiary thereof, and (vi) any right for Sublandlord to receive a subordination, non-disturbance, and attornment agreement or similar agreement. Subtenant shall not receive any abatement of Base Rent or Sublease Additional Rent unless and to the extent Sublandlord actually receives an abatement of the same for the Subleased Premises in connection with damage, casualty, condemnation or interruption of services in accordance with the terms of the Prime Lease and an Event of Default by Subtenant has not occurred or is then occurring. Subtenant may not exercise any rights to terminate set forth in the Prime Lease.

(e) The Sublandlord may enforce directly against Subtenant any of the rights and remedies granted to Prime Landlord pursuant to the Prime Lease. Nothing in this Sublease shall be construed or interpreted to grant any greater rights than the Sublandlord has received as Tenant from Prime Landlord pursuant to the Prime Lease.

(f) If Subtenant desires to take an action which, under the applicable provisions of the Prime Lease, requires the approval or consent of Prime Landlord, then Subtenant shall not take such action until (i) Prime Landlord has provided its approval or consent in connection therewith as required under the Prime Lease and (ii) Sublandlord has provided its approval or consent in connection therewith in accordance with the applicable standard set forth in this Sublease. Except to the extent otherwise expressly provided in this Sublease, any consent or approval required or desired of Sublandlord, or any decisions under this Sublease committed to the discretion of Sublandlord hereunder, shall not be unreasonably withheld, conditioned, or delayed; provided, however, Subtenant agrees it shall be reasonable for Sublandlord to withhold its consent if Prime Landlord has not consented to the same.

(g) Sublandlord has not yet received the entirety of the Tenant Improvement Allowance under the Prime Lease. The right to receive the Tenant Improvement Allowance shall belong solely to Sublandlord. Upon Sublandlord's request, Subtenant shall reasonably cooperate with Sublandlord to assist Sublandlord in receiving the remaining Tenant Improvement Allowance, including, without limitation, allowing contractors access and use of the Premises to complete punch list work upon one-day advance notice.

(h) With respect to the taxes under Section 16 of the Prime Lease (which are the responsibility of Subtenant by incorporation of said Section) relating to equipment, furniture, fixtures, personal property, Tenant Improvements, Alterations, or other items owned by Subtenant, Subtenant shall be responsible for timely filing and paying the tax and completing any other documentation required by any authority having jurisdiction in connection thereto.

11. Defaults and Remedies.

(a) As used in this Sublease, the term "***Event of Default***" shall mean the occurrence of any of the following: (i) with respect to any obligation of Subtenant relating to the payment of monies, Subtenant fails to timely deliver such monies and [***]; (ii) with respect to all other obligations of Subtenant under this Sublease or the Prime Lease, Subtenant fails to satisfy such obligation and such failure continues for [***] following written notice from Sublandlord or Prime Landlord, as the case may be; (iii) any Transfer or other encumbrance on all or any part of the Subleased Premises or this Sublease by Subtenant which is not permitted by the terms of this Sublease and not consented to by both Prime Landlord and Sublandlord; or (iv) the occurrence of an Event of Default under the Prime Lease described in Article 17 of the Prime Lease. If the notice and/or cure period under Section 11 (a)(iv) is less than that otherwise provided in this Section 11(a), the notice and/or cure period under Section 11(a)(iv) shall control.

(b) Upon or following the occurrence of an Event of Default, in addition to the rights of the Prime Landlord pursuant to the Prime Lease, Sublandlord shall have the following rights and remedies against Subtenant (in addition to all other rights and remedies provided by law or in equity): (i) to terminate this Sublease, (ii) to cure or attempt to cure the default, whereupon Subtenant shall upon demand reimburse Sublandlord for all costs thus expended together with interest thereon at the Default Rate (as defined in the Prime Lease) and a [***] percent ([***]%) administration fee on such costs, (iii) to sue for Subtenant's performance, whereupon Subtenant shall upon demand reimburse Sublandlord

for all costs thus expended together with interest thereon at the Interest Rate and a [***] percent ([***]%) administration fee on such costs, (iv) to exercise all remedies set forth in the Prime Lease as if Sublandlord were the Prime Landlord and Subtenant were the Tenant thereunder, (v) to re-enter and take possession of the Subleased Premises, and to remove any property therein, without liability for damage to, and without the obligation to store such property but may store same at Subtenant's expense. In the event of such re-entry, Sublandlord may, but shall not be obligated to, relet the Subleased Premises, or any part thereof, from time to time, in the name of Sublandlord or Subtenant, without further notice, for such term or terms, on such conditions and for such uses and purposes as Sublandlord, in its sole and absolute discretion, may determine, and Sublandlord may collect and receive all rents derived therefrom and apply the same, after deduction of all appropriate expenses (including broker's, consultant's and attorneys' fees, if incurred, and the expenses of putting the property in leasable condition), to the payment of the rent and other sums payable hereunder, Subtenant remaining liable for any deficiency.

(c) Sublandlord shall not be responsible or liable for any failure to relet the Subleased Premises or any part thereof, or for failure to collect any rent connected therewith. The exercise by Sublandlord of any remedy shall not preclude the subsequent or simultaneous exercise of any other remedy. No delay in exercising any remedy shall be deemed a waiver thereof. In addition, any payment not made when due shall bear interest until paid at the Default Rate. Notwithstanding anything herein or in the Prime Lease to the contrary, Sublandlord shall have no obligation to mitigate any damages or resublet the Subleased Premises or any part thereof, except to the extent required by applicable Laws.

(d) Upon the occurrence of a default by Subtenant under this Sublease which Subtenant does not commence to cure [***] of said default, Sublandlord may, but shall not be obligated to, cure such default on Subtenant's behalf. Such cure shall not waive or release any obligation of Subtenant hereunder and shall not waive any rights or remedies at law or otherwise. All sums so paid or incurred by Sublandlord, together with interest thereon at the Default Rate from the date such sums were paid or incurred and a [***] percent ([***]%) administration fee on such costs shall be payable to Sublandlord on demand as Sublease Additional Rent.

12. Parking. Subtenant agrees to keep, observe and comply with all rules and regulations established or adopted by Prime Landlord, and will require its employees, agents, contractors and guests to comply therewith. Subtenant shall reimburse Sublandlord for any costs incurred by Sublandlord in connection with Subtenant's parking rights.

13. Assignment and Subletting.

(a) Subtenant shall have no right to assign, mortgage, pledge or otherwise encumber this Sublease (including, without limitation, any assignment or other transfer by operation of law), nor to sublet the Subleased Premises or any part thereof, or suffer or permit the Subleased Premises or any part thereof to be used or occupied by others, by operation of law or otherwise, or otherwise permit or cause a Transfer (as defined in the Lease) without the consent of Prime Landlord and Sublandlord; provided, however, Sublandlord's consent shall not be required in connection with a Permitted Transfer to a Subtenant Affiliate provided that the sublease agreement is on arms' length terms, which sublease agreement shall be provided to Sublandlord [***] prior to the effective date thereof. Subtenant must comply with all the procedures, terms, conditions, and limitations with respect to Transfers as set forth in the Prime Lease.

(b) Subtenant covenants that, with respect to any sublease to an Affiliate (as defined in the Prime Lease), the sublease shall contain arms' length terms. Subtenant shall inform Sublandlord [***] after receipt of written request [***] the names of the then-current subtenants and the status of the then-existing sublease agreements (e.g. whether or not there is a default under the applicable sublease).

(c) Sublandlord and Subtenant shall cooperate with each other and use commercially reasonable efforts (which shall not obligate Sublandlord to commence or threaten legal action or incur more than *de minimis* additional costs, or take on more than *de minimis* additional liabilities) to cause the

assignment of the Lease to Subtenant. Without limiting the generality of the foregoing, Subtenant shall provide Sublandlord with all information and documentation reasonably required by Sublandlord and/or Prime Landlord in connection with said assignment, including, without limitation, an assignment and assumption agreement reasonably acceptable to Sublandlord and Subtenant. If Sublandlord and Subtenant enter into an assignment and assumption agreement for the assignment of the Lease and Prime Landlord consents to the same in writing, this Sublease shall terminate as of the later of (i) the effective date of the assignment and assumption agreement and (ii) the date Prime Landlord consents, in writing, to the assignment of the Prime Lease to Subtenant (such later date, the "***Early Termination Date***"). Upon Sublandlord's request, the parties shall execute a commercially reasonable termination agreement for this Sublease effective as of the Early Termination Date.

14. Indemnification. In any case where "Tenant" is to indemnify, defend, hold harmless, release or waive claims against "Landlord" under the Prime Lease, such indemnity, defense, holding harmless, release or waiver shall be deemed to run from Subtenant to both Prime Landlord and Sublandlord and their Indemnitees. In addition, for the purposes of this Sublease, Section 11(d) of the Prime Lease shall include an item (3) that reads: "Tenant's performance of or Tenant's failure to perform its obligations under Section 23 of the Prime Landlord's Consent". Subtenant covenants and agrees that Subtenant will not do or permit anything that would constitute a default under the Prime Lease or omit to do anything that Subtenant is obligated to do under the terms of this Sublease and the omission of which would constitute a default under the Prime Lease. Notwithstanding anything herein to the contrary, Sublandlord shall not be deemed to have made and shall have no liability to Subtenant with respect to (i) representations and warranties made by Landlord under the Prime Lease, and (ii) any indemnification obligations of Prime Landlord under the Prime Lease, or other obligations or liability of Prime Landlord under the Prime Lease with respect to compliance with laws, condition of the Subleased Premises, regardless of whether the incorporation of one or more provisions of the Prime Lease might otherwise operate to make Sublandlord liable therefor. Sublandlord shall indemnify, defend and hold Subtenant harmless from any and all costs, liabilities, demands, claims, civil or criminal actions, causes of action, civil or criminal penalties, fines, losses, liens, assessments, damages, liabilities, costs, disbursements, expenses, or fees of any kind or any nature (including without limitation all clean-up costs and attorneys' fees) which may at any time be imposed upon, incurred by, or asserted or awarded against Sublandlord or Subtenant which result from Hazardous Materials (x) caused by the negligence or willful misconduct of Sublandlord or Sublandlord's representatives, or (y) brought onto the Subleased Premises by Sublandlord. This Section shall survive the expiration or earlier termination of this Sublease.

15. Performance Periods. Except as expressly set forth herein, each and every time limit contained in the Prime Lease for the giving of notices, making of demands, performance of acts or cures or for the exercise of any rights, remedies or options by the tenant thereunder (to the extent the same, if any, pass to Subtenant pursuant to the terms of this Sublease), shall be shortened by three (3) days for the purposes of this Sublease, so that in each instance Subtenant shall have three (3) days less time than Sublandlord has under the Prime Lease; provided, however, in no event shall such time period be shortened to less than [***] (except to the extent a shorter time limit is expressly provided in the Prime Lease, in which case such shorter time limit shall apply).

16. Notices. Any notice, demand or other communication which must or may be given or made by either party hereto shall be in writing and shall be in accordance with the provisions of the Prime Lease, addressed as set forth in the Basic Sublease Provisions. Either party may, by notice to the other given as aforesaid, designate a new or additional address to which any such notice, demand or other communication thereafter shall be given, made or mailed. Any notice, demand or communication given hereunder shall be deemed delivered when actually received. In the event Subtenant receives a written notice, demand, or other communication from Prime Landlord, Subtenant shall immediately provide the same to Sublandlord.

17. Surrender; Holdover.

(a) Surrender. Upon the Expiration Date or termination of this Sublease, Subtenant shall quit and surrender to Sublandlord the Subleased Premises, in the condition required by the terms of

the Prime Lease, including, without limitation, performance of all removal and restoration obligations regardless of which entity or person installed or performed the alterations, additions, improvements, trade fixtures, personal property, equipment, wiring, conduits, cabling, or furniture. Without limiting the foregoing, Subtenant shall remove from the Subleased Premises all of its personal property, furniture, furnishings, and equipment, and shall repair all damage resulting from such removal or its use of the Subleased Premises. If Subtenant fails to remove any of Subtenant's personal property or perform any required repairs or restoration prior to the expiration or earlier termination of this Sublease, then Sublandlord, at Subtenant's sole cost and expense, may remove, store, sell and/or dispose of Subtenant's personal property and perform such required repairs and restoration work. Subtenant shall reimburse Sublandlord for any and all costs and expenses incurred by Sublandlord (whether directly or as a pass-through) to cause such property to be removed and repairs and restorations made, together with any and all damages which Sublandlord may suffer and sustain by reason of Subtenant's failure to perform its obligations set forth in this Section, plus a [***] percent ([***]%) administration fee. Subtenant's obligations to perform and observe this covenant shall survive the expiration or earlier termination of this Sublease.

(b) Holdover. Notwithstanding anything herein to the contrary, on or prior to the Expiration Date, Subtenant shall surrender the Subleased Premises to Sublandlord in accordance with the terms of this Sublease and the Prime Lease (as may be incorporated herein by reference). If Subtenant fails to vacate and surrender the Subleased Premises in the required condition or otherwise holds over after the Expiration Date of this Sublease without the express written consent of Sublandlord, Subtenant shall become a tenant of sufferance only, and shall be required to pay to Sublandlord the amount equal to the greater of (i) the amount set forth in Section 29 of the Prime Lease as it applies to the Subleased Premises and (ii) any costs incurred by Sublandlord due to Subtenant's holding over in the Subleased Premises. If Subtenant fails to surrender the Subleased Premises in the condition required hereunder on or before the Expiration Date, Subtenant shall indemnify and hold Sublandlord and all Sublandlord Indemnitees harmless from all loss or liability, including without limitation, any claim made by Prime Landlord or any successor tenant resulting from Subtenant's failure to surrender the Subleased Premises and any attorneys' fees and costs incurred by Sublandlord. Subtenant understands and agrees that Subtenant shall be liable for any and all obligations of Sublandlord under the Prime Lease for the entire Premises to the extent such obligations are caused by Subtenant's holding over. No holding-over by Subtenant, nor the payment to Sublandlord of the amounts specified above, shall operate to extend the Term hereof. Nothing herein contained shall be deemed to permit Subtenant to retain possession of the Subleased Premises after the Expiration Date or sooner termination of this Sublease, and no acceptance by Sublandlord of payments from Subtenant after the Expiration Date or sooner termination of this Sublease shall be deemed to be other than on account of the amount to be paid by Subtenant.

18. Broker. Sublandlord and Subtenant each represent and warrant that it has not dealt with any brokers or consultants in connection with this transaction, and that no real estate broker, salesperson or finder has the right to claim a real estate brokerage, salesperson commission or finder's fee by reason of contact between the parties brought about by such broker, salesperson or finder. Each party shall hold and save the other and Prime Landlord harmless of and from any and all loss, costs, damage, injury or expense arising out of or in any way related to claims for real estate brokers, sales persons or finder's commissions or fees based upon allegations made by the claimant that it is entitled to such a fee from the indemnified party arising out of contact with the indemnified party or alleged introductions of the indemnifying party to the indemnified party.

19. Limitations on Sublandlord's Liability. Subtenant acknowledges that Sublandlord is a corporation and agrees that notwithstanding any provisions to the contrary contained in the Prime Lease or this Sublease, as the same may be amended from time to time, no present or future shareholder, beneficial owner, officer, director, trustee, agent, servant or employee of Sublandlord shall have any personal liability to the other for the obligations arising out of, in connection with or under this Sublease, the relationship of Subtenant and Sublandlord, or Subtenant's use of the Subleased Premises. It is understood and agreed that the assets of shareholders or beneficial owners of Sublandlord, as distinguished from any shareholder's or beneficial owner's interest in undistributed assets of the

applicable party, may not be seized or attached by Subtenant for the satisfaction of the other party's obligations under this Sublease.

20. Subtenant Representations. Subtenant represents, warrants and covenants as follows: (a) Subtenant has the authority and legal ability to enter into and perform this Sublease and its obligations hereunder, (b) all actions required in connection with the authorization, execution, delivery and performance of this Sublease by Subtenant have been duly taken and, when executed and delivered by Subtenant, this Sublease shall be and constitute a valid, legal and binding obligation of Subtenant; and (c) Subtenant shall provide Sublandlord with copies of any written notices received from the Prime Landlord.

21. General Provisions.

(a) Benefit and Burden. The covenants, conditions, agreements, terms and provisions herein contained shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective personal representatives, successors, heirs, executors, administrators and assigns.

(b) Governing Law. It is the intention of the parties hereto that this Sublease (and the terms and provisions hereof) shall be construed and enforced in accordance with the laws of the State of California.

(c) Entire Agreement. This Sublease and Prime Landlord's Consent contains all of the covenants, agreements, terms, provisions, conditions, warranties and understandings relating to the subleasing of the Initial Sublease Premises and/or the Must-Take Sublease Premises and Sublandlord's obligations in connection therewith, and neither Sublandlord nor any agent or representative of Sublandlord has made or is making, and Subtenant in executing and delivering this Sublease is not relying upon, any warranties, representations, promises or statements whatsoever, except to the extent expressly set forth in this Sublease. The failure of Sublandlord to insist in any instance upon the strict keeping, observance or performance of any covenant, agreement, term, provision or condition of this Sublease or to exercise any election herein contained shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition or election, but the same shall continue and remain in full force and effect. No waiver or modification of any covenant, agreement, term, provision or condition of this Sublease shall be deemed to have been made unless expressed in writing and signed by Prime Landlord and Sublandlord. No surrender of possession of the Subleased Premises or of any part thereof or of any remainder of the term of this Sublease shall release Subtenant from any of its obligations hereunder unless accepted by Sublandlord in writing. The receipt and retention by Sublandlord of monthly Base Rent or any other Rent from anyone other than Subtenant shall not be deemed a waiver of the breach by Subtenant of any covenant, agreement, term or provision of this Sublease, or as the acceptance of such other person as a tenant, or as a release of Subtenant of the covenants, agreements, terms, provisions and conditions herein contained. The receipt and retention by Sublandlord of monthly Base Rent or any other Rent with knowledge of the breach of any covenant, agreement, term, provision or condition herein contained shall not be deemed a waiver of such breach.

(d) Conflicts Between this Sublease and the Prime Lease. With respect to the relationship between the Sublandlord and the Subtenant, the terms and conditions of this Sublease shall take precedence with respect to any conflict between the terms and conditions contained herein and the terms and conditions of the Prime Lease. Nothing herein shall be construed in any way to affect the rights and obligations of the Sublandlord and the Prime Landlord under the Prime Lease.

(e) Captions. The captions throughout this Sublease are for convenience of reference only and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision of or the scope or intent of this Sublease, nor in any way effect this Sublease.

(f) Singular and Plural. Wherever appropriate herein, the singular includes the plural and the plural includes the singular.

(g) Counterparts. This Sublease may be executed in multiple counterparts each of which is deemed an original but together constitute one and the same instrument. This Sublease may be executed in "pdf" format and each party has the right to rely upon a pdf counterpart of this Sublease signed by the other party to the same extent as if such party had received an original counterpart. THE PARTIES HERETO CONSENT AND AGREE THAT THIS SUBLEASE MAY BE SIGNED AND/OR TRANSMITTED USING ELECTRONIC SIGNATURE TECHNOLOGY (E.G., VIA *DOCUSIGN* OR SIMILAR ELECTRONIC SIGNATURE TECHNOLOGY), AND THAT SUCH SIGNED ELECTRONIC RECORD WILL BE VALID AND AS EFFECTIVE TO BIND THE PARTY SO SIGNING AS A PAPER COPY BEARING SUCH PARTY'S HAND-WRITTEN SIGNATURE. THE PARTIES FURTHER CONSENT AND AGREE THAT (1) TO THE EXTENT A PARTY SIGNS THIS SUBLEASE USING ELECTRONIC SIGNATURE TECHNOLOGY, BY CLICKING "SIGN," SUCH PARTY IS SIGNING THIS SUBLEASE ELECTRONICALLY, AND (2) THE ELECTRONIC SIGNATURES APPEARING ON THIS SUBLEASE WILL BE TREATED, FOR PURPOSES OF VALIDITY, ENFORCEABILITY AND ADMISSIBILITY, THE SAME AS HAND-WRITTEN SIGNATURES.

(h) No Recordation. Neither this Sublease nor any short-form memorandum or version hereof shall be recorded by either party.

(i) Time is of the Essence. The parties agree that time is of the essence with respect to the performance of each of the covenants and agreements contained in this Sublease.

(j) Defined Terms; Recitals. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Prime Lease. The recitals set forth above are incorporated as if set forth fully herein.

(k) OFAC. Subtenant represents and warrants to Sublandlord that Subtenant is not a party with whom Sublandlord or Prime Landlord is prohibited from doing business pursuant to the regulations of the Office of Foreign Assets Control ("**OFAC**") of the U.S. Department of the Treasury, including those parties named on OFAC's Specially Designated Nationals and Blocked Persons List. Subtenant is currently in compliance with, and shall at all times during the Term remain in compliance with, the regulations of OFAC and any other governmental requirement relating thereto. In the event of any violation of this Section, Sublandlord shall be entitled to immediately terminate this Sublease and take such other actions as are permitted or required to be taken under law or in equity. SUBTENANT SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS SUBLANDLORD FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, RISKS, LIABILITIES, AND EXPENSES (INCLUDING ATTORNEYS' FEES AND COSTS) INCURRED BY SUBLANDLORD ARISING FROM OR RELATED TO ANY BREACH OF THE FOREGOING CERTIFICATIONS. These indemnity obligations shall survive the expiration or earlier termination of this Sublease.

(l) Certified Access Specialist Disclosure. For purposes of Section 1938 of the California Civil Code, Sublandlord hereby discloses to Subtenant, and Subtenant hereby acknowledges, that to Sublandlord's actual knowledge, neither the Initial Sublease Premises nor the Must-Take Sublease Premises have not undergone inspection by a CASp.

California Civil Code Section 1938 states:

> "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of

making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

Notwithstanding anything to the contrary in the Sublease, Sublandlord and Subtenant hereby agree that Subtenant shall be responsible for (i) the payment of the fee for any CASp inspection that Subtenant desires, and (ii) making, at Subtenant's sole cost, any repairs necessary to correct violations of construction-related accessibility standards within the Premises, whether such violations occurred before or occur after the Effective Date, if such CASp inspection at Subtenant's request reveals a violation, provided that such repairs shall be in accordance with the terms of the Sublease. Subtenant hereby agrees that: any CASp inspecting the Initial Sublease Premises and/or the Must-Take Sublease Premises shall be selected by Sublandlord or Prime Landlord; Subtenant shall promptly deliver to Sublandlord and Prime Landlord any CASp report regarding all or part of the Premises obtained by Subtenant; and Subtenant shall keep information contained in any CASp report regarding the Initial Sublease Premises and/or the Must-Take Sublease Premises confidential, except as may be necessary for Subtenant or its agents to complete any repairs or correct violations with respect to the Initial Sublease Premises and/or the Must-Take Sublease Premises that Subtenant agrees to undertake. Subtenant shall have no right to cancel or terminate the Sublease due to violations of construction-related accessibility standards within the Initial Sublease Premises and/or the Must-Take Sublease Premises identified in a CASp report obtained during the Term.

[*Remainder of page intentionally left blank; signature page(s) follow*]

IN WITNESS WHEREOF, Sublandlord and Subtenant have each executed this Sublease on the day and year first hereinabove written.

SUBLANDLORD:

SENTI BIOSCIENCES, INC.,
a Delaware corporation

By: /s/ Tim Lu
Name: Tim Lu, M.D., Ph.D.
Title: Chief Executive Officer

SUBTENANT:

GENEFAB, LLC
a Delaware limited liability company

By its sole member:

VALERE BIO, INC.
a Delaware corporation

By: /s/ Donald Tang
Name: Donald Tang
Title: President

EXHIBIT A

[***]

Exhibit A

EXHIBIT B

[***]

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Timothy Lu, M.D., Ph.D., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023, of Senti Biosciences, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2023

By: /s/ Timothy Lu, M.D., Ph.D.
Timothy Lu, M.D., Ph.D.
Chief Executive Officer and President
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Deborah Knobelman, Ph.D., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023, of Senti Biosciences, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2023

By: /s/ Deborah Knobelman, Ph.D.

Deborah Knobelman, Ph.D.

Chief Financial Officer, Treasurer and Head of Corporate Development

(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Senti Biosciences, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Timothy Lu, M.D., Ph.D., Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Date: November 13, 2023

By: /s/ Timothy Lu, M.D., Ph.D.
Timothy Lu, M.D., Ph.D.
Chief Executive Officer and President
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Senti Biosciences, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Deborah Knobelman, Ph.D., Chief Financial Officer, Treasurer and Head of Corporate Development of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Date: November 13, 2023

By: /s/ Deborah Knobelman, Ph.D.
Deborah Knobelman, Ph.D.
Chief Financial Officer, Treasurer and Head of Corporate Development
(Principal Financial and Accounting Officer)